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THE WEATHER — PARIS: Tuesday, cloudy, Temp. 22-17 (53-33); Wednesday, variable, Temp. 21-14 (70-57); Thursday, clear, CHANNEL: Slight, BREEZE: Tuesday, sunny, Temp. 24-17 (75-63); NEW YORK: Tuesday, sunny, Temp. 85-68 (29-20).

ADDITIONAL WEATHER — COMICS PAGE



Leaders at the Bonn summit meeting strike a pose at Villa Hammerschmidt after yesterday's morning session. In the front, from left, are Chancellor Helmut Schmidt of West Germany, President Carter, President Walter Scheel of West Germany, Premier Giulio Andreotti of Italy and Premier Takeo Fukuda of Japan; behind are Prime Minister Pierre Elliott Trudeau of Canada, President Valéry Giscard d'Estaing, France, and Prime Minister James Callaghan, Britain.

Bonn Conference Declares World Economic Strategy

By Joseph Fitchett

BONN, July 17 (IHT) — A comprehensive strategy to revive the ailing world economy was announced tonight by leaders of the major industrial democracies at the end of their economic summit conference.

All seven leaders called the conference a success, and President Carter said its results had "exceeded the expectations of all of us."

The economic package essentially was a bargain struck between the United States, which pledged to cut its dependence on imported oil, and West Germany and Japan, which agreed to take more imports.

While no participant was willing to predict when the new approach might have tangible impact on unemployment, inflation, sluggish investment and other economic ills, the general tone was that the group — Canada, West Germany, France, Italy, Japan, Britain and the United States — had shown political unity and determination to work together and agreed on significant trade-offs that were realistic in domestic political terms.

• The statement by the United States and Canada that they intend to remain reliable nuclear suppliers as part of the industrial countries' bid to reverse the "slippage" in nuclear power development.

• A statement by the seven leaders supporting the progress on the Tokyo round of multilateral trade negotiations and pledging to conclude successfully by December these talks on trade liberalization.

Britain, the United States and France agreed to continue curbs to fight inflation.

On currency fluctuations, the participants pledged continued intervention to stabilize the market until underlying conditions improve. However, it omitted any commitment by the United States to support the dollar or any endorsement of the European monetary plan announced at the Bremen summit meeting of the European Economic Community.

Developing countries were promised an increased flow of aid, investment and other funds. Premier Takeo Fukuda said he would strive to double Japan's official development assistance in three years.

This set of pledges appeared to cover points of dispute between the non-Communist governments about the blame for the current economic malaise. Mutual recriminations in recent months had created a political climate that the meeting here did much to dispel, at least until the pledges are tested in action.

Explaining the leaders' upbeat assessments of the results, U.S. sources said that President Carter felt the commitments were better studied and more realistic than the targets adopted a year ago in London and largely abandoned. French sources said President Valéry Giscard d'Estaing had stressed the

need to get specific pledges, not vague sentiments.

Praising the constructive spirit of the discussions, a U.S. official commented that the core issues like growth, inflation, energy and tariff barriers were questions that had recently been considered exclusively domestic matters. However, governments are now consulting each other while pressing for domestic political consensus. The leaders also showed a tolerance for each other's domestic political problems — notably European acceptance of President Carter's slowness to get action on energy — which contrasted with the acrimony that had darkened the summit's prospects in recent weeks.

Promise on Oil

On the issue of U.S. oil imports, President Carter pledged that "the United States will have in place by the end of the year a comprehensive

policy framework . . . that will result in oil import savings of approximately 2.5 million barrels per day by 1985," and other measures to raise domestic oil prices and cut imports.

U.S. Goals Gained

This pledge appeared to be an implicit threat by President Carter to use the administrative means at his disposal to hamper oil imports if Congress rejects his energy bill. However, administration officials talked optimistically about the bill's chances.

U.S. sources said President Carter also was hoping to use the package deal gained here with his industrial partners to get leverage with Congress for his energy views.

Long-sought U.S. goals — like West German economic stimulus and the acceptance of some U.S. views on tariffs — were gained (Continued on Page 2, Col. 2)

3 Foreign Ministers Arrive

Aides in U.K. for Mideast Talks

From Wire Dispatches

LONDON, July 17 — The foreign ministers of the United States, Israel and Egypt arrived in England today for the latest round of Mideast peace talks.

Apparently in response to a threatened Palestinian terrorist attack, elaborate security measures were in effect, including tanks and armored personnel carriers surrounding the lounge at Heathrow Airport where Israeli Foreign Minister Moshe Dayan arrived.

U.S. Secretary of State Cyrus

Vance was rerouted to Manston Air Force Base 60 miles from London as a security precaution.

Egyptian Foreign Minister Mohammed Ibrahim Kamel arrived tonight. The three were expected to meet informally tonight at Leeds Castle, a 1,000-year-old fortress chosen because of its defenses. The formal two-day talks are to begin tomorrow.

There was little optimism that the talks would produce a breakthrough, because of substantial differences between current Israeli

and Egyptian proposals on the future of the Palestinians.

The resumption of a formal dialogue is the principal objective of the conference. If arrangements can be made here to establish the machinery and agenda for such talks, then roving U.S. Ambassador Alfred Atherton might travel to Egypt and Israel to help the process along.

According to an article in the English-language Jerusalem Post, Egyptian President Anwar Sadat diverged from the public Egyptian position in a meeting last week near Salzburg with Israeli Defense Minister Ezer Weizman, but an Egyptian government statement issued today sought to suggest that Mr. Sadat had not gone beyond his government's officially disclosed position.

Egypt Hopes U.S. Is Led To Take a Broader Role

By Marvin Howe

CAIRO, July 17 (NYT) — Egypt hopes that the foreign ministers meeting this week outside London will prepare the way for direct U.S. intervention in the Middle East peace process, or at least establish the procedure for further face-to-face talks with Israel, according to Egyptian officials.

The officials indicate that they do not expect the talks to bring significant progress toward reconciling Egyptian and Israeli ideas for peace, but that they would be satisfied if the talks produced a clear demonstration of what they describe as the Begin government's "inflexibility." If this were to happen, they reason, the United States would be under pressure to step in with suggestions.

By contrast, the government official emphasized that, during the Austrian talks, Mr. Peres and Mr. Weizman had appeared "reasonable" on some points.

There was also a certain elation in official quarters over reports from Jerusalem that the Begin government was experiencing growing isolation over its hard-line policy on the occupied Arab territories.

"Begin is the prime minister and we have to deal with him whether we like it or not," one of Mr. Sadat's aides remarked. "But we have widened the dialogue . . . with Weizman and Peres, with the peace movement, journalists, intellectuals."

One of the government-controlled Cairo dailies, al-Akhbar, (Continued on Page 2, Col. 4)

According to the Israeli newspaper article, which was attributed to a non-governmental source, Mr. Sadat agreed that Israel could maintain a military force on the West Bank during a five-year transition period, that it would have some status in administering the West Bank with Jordan and the residents of the area, that Israeli settlements would be allowed to remain, that areas from which Israeli withdrawals would be demilitarized, and that minor border modifications would be acceptable.

Similar conditions would apply to the Gaza Strip. A formula also was suggested to ease Israel's concern over giving up air bases in the Sinai.

Mr. Dayan said that there was "plenty of room for discussion on both sides," but ruled out talks based on the Sadat-Weizman meeting.

Begin Defends Position, Says Egypt Defames Him

JERUSALEM, July 17 (UPI) — Israeli Prime Minister Menachem Begin last night defended his stance in efforts for a Middle East peace settlement and accused the Egyptian leadership of "defaming" him.

Speaking to the Herut faction of the Likud coalition, Mr. Begin referred to criticism of his foreign policy, saying, "The leaders of Egypt do not cease defaming me. This time, unlike my habit, I shall not turn a deaf ear."

"In the world, a campaign is being waged for my resignation. I am being termed an obstacle to peace. To my mind, I am indeed an obstacle. An obstacle against capitulation. Together with my colleagues in the government, the Knesset, the faction and the movement."

Mr. Begin reportedly has grown increasingly irritated by Egyptian President Anwar Sadat's preference for discussing the issues of a peace settlement with Israeli leaders other than Mr. Begin or Foreign Minister Moshe Dayan.

those authorized as its representatives.

In his only reference last night to Mr. Weizman, the prime minister said that he had received the Sadat proposals, adding, "We shall discuss them at next week's Cabinet session."

Government sources said that Mr. Weizman's forays into foreign policy were sharply criticized yesterday by several Cabinet members, particularly Industry and Commerce Minister Yigal Hurvitz and Agriculture Minister Ariel Sharon.

The defense minister was said afterward to have characterized (Continued on Page 2, Col. 5)

Cyprus Reports Failure of Plot Against Rulers

NICOSIA, July 17 (AP) — President Spyros Kyprianou announced the crushing of an anti-government conspiracy today, simultaneously with the dismissal of Tasos Papadopoulos, the Greek-Cypriot representative to peace talks with the Turkish Cypriots.

There was no announcement of a direct link between Mr. Papadopoulos and the conspiracy. But in his letter of dismissal to Mr. Papadopoulos, President Kyprianou accused him of "blinding and sick ambition, of envy and hatred."

"I do not think it is necessary to mention or to explain the real reasons that created this situation as this would serve no useful purpose. . . and because I am certain that you know these reasons much better than anyone," Mr. Kyprianou's letter said.

In a separate statement, it was announced that the conspiracy, both external and internal, had failed. "The people are advised to remain calm, as the situation is under absolute control," a presidential spokesman said. He added that the aim of the conspiracy was to force President Kyprianou to resign.

Egypt Crash Kills 59

CAIRO, July 17 (UPI) — A crowded bus struck an automobile and plunged into the Nile River today. Police reported 59 bodies recovered. The officials said the driver of the bus appeared to be the only survivor.

Yemeni Council Elects Saleh as New President

BEIRUT, July 17 (UPI) — The Yemen People's Council today elected Lt. Col. Ali Abdullah Saleh as president to succeed Lt. Col. Ahmad al-Ghashmi, who was assassinated three weeks ago, the Iraqi news agency said.

The agency, in a report from the Yemeni capital of Sanaa, said 76 members of the 96-man council voted for Col. Saleh, 19 were absent and one abstained.

Col. Ghashmi was killed on June 24 when a booby-trapped briefcase brought by an envoy from neighboring Southern Yemen exploded. His predecessor, Lt. Col. Ibrahim al-Hamidi, was assassinated 10 months ago.

The new president was appointed deputy commander in chief of the armed forces and chief of staff after the former president's death.

Delay by Cabinet

The Israeli Cabinet yesterday delayed for a week consideration of new peace proposals by Mr. Sadat, and all but foreclosed independent foreign policy efforts by Defense Minister Ezer Weizman by ruling that negotiating representatives of Egypt and Israel must be "reciprocal" in ministerial stature.

Mr. Weizman had received the proposals from Mr. Sadat in a meeting near Salzburg last week.

The Cabinet said in a communiqué that the authority for negotiating with Egypt "or with any state in a state of war with Israel" rests only with the government and

Electricity by Fusion in U.S. Seen for 2005

By Thomas O'Toole

WASHINGTON, July 17 (WP) — The Carter administration believes the first electricity to be generated in the United States from thermonuclear fusion will be no sooner than the year 2005, at an additional cost between now and then of \$14 billion.

Despite the late timetable and heavy cost, the administration will seek \$500 million in President Carter's next budget for fusion research. The administration believes that while there have been no breakthroughs in fusion research there has been enough steady laboratory progress to justify not cutting the program below its present funding levels.

"The learning curve is on the way up," John Deutch, director of energy research for the Department

of Energy, said in an interview. "I think there's little doubt we will have a demonstration of the scientific feasibility of fusion by 1982."

That is when the first Tokamak fusion machine at Princeton University is expected to reach the point where it can confine and control the thermonuclear chain reaction that generates heat of almost 1 million degrees. The Tokamak (the Russian word for doughnut, the shape of the machine) at Princeton will begin to operate in 1981 but will not go to full power for another year.

Slow Progress Seen

Progress after 1982 is expected to be slow, Mr. Deutch said. The Energy Department now thinks it can operate the first commercial fusion reactor by 2005 and the second one 10 years after that. He foresees at

least three and possibly four or five commercial fusion plants in operation by 2025.

"It is quite possible," he said, "that we will be in a position to produce serious fusion power by that time."

The cost to get to the first experimental fusion reactor is now estimated at \$14 billion from now until 2005. The United States has already spent more than \$2 billion on the research and development of fusion.

In addition to the Tokamak, the Energy Department has decided to strengthen its scientific support of an alternative method of controlling fusion called the "mirror" approach. This involves the use of magnetic mirrors to confine the hot gas produced in the fusion process. The Energy Department will also continue support of laser fusion

work carried out at the Los Angeles Scientific Laboratory in New Mexico and the Livermore Laboratory in California. The laser fusion work at both laboratories involves secret research directly related to the nuclear weapons program.

Alternatives Sought

"I think the way the program will step out is a little more work with the mirror approach and a little less with the others," Mr. Deutch said. "We want to broaden the program and develop alternatives to Tokamak. I don't think anybody can say which approach will work the best."

The Soviet Union and Japan have each proposed joint programs for fusion research with the United States in the last few weeks. The Common Market countries have chosen to stay together and build

what they call the JET (Joint European Torus) machine in Great Britain to demonstrate the scientific feasibility of fusion.

The Japanese proposal to the United States has not yet been made public but the Soviet Union has suggested jointly building a Tokamak machine bigger than the Princeton device in some third country like Poland or Finland, where rubles and dollars can be spent easily on construction. The machine suggested by the Soviet Union would cost at least \$1 billion.

"The Russians see this as the next way to share expenses for these large machines," Mr. Deutch said. "The Japanese are trying to make energy research initiatives to help our joint balance of payment problems."

Party Duties

In 1960, he was transferred to party duties and appointed first secretary of the Stavropol region Communist Party. He was elected a member of the Communist Party Central Committee in 1961 and at that time was a supporter of former Premier Nikita Khrushchev.

After Mr. Khrushchev's fall, Mr. Kulakov was appointed head of the Central Committee's agricultural department. In September, 1963, he was elected secretary of the Central Committee and became active in directing Soviet agricultural policy.

In the aging Politburo, Mr. Kulakov was considered a youngster. Mr. Brezhnev is 71 and the average age of the Politburo's members is just over 70.

The last Politburo member to die was Defense Minister Andrei Grechko, on April 26, 1976, and there have been no changes in the makeup of the Politburo since the ouster of President Nikolai Podgorny on June 16, 1977.

Would Cut Air Links With Offending Countries

7 Nations Agree on Anti-Hijacking Pact

BONN, July 17 (IHT) — The leaders of seven industrial democracies meeting in a summit conference here today agreed to interrupt commercial air links with countries that harbor hijackers. The plan was the strongest collective effort yet against terrorism.

In a unanimous statement ap-

peared to the economic summit's communiqué, the governments agreed on joint action against any country that harbored terrorists by failing to extradite or prosecute them, or that failed to return hijacked airliners. National carriers of offending countries would be refused landing rights in all of the

signatory nations, and the signatories would cut all flights to an offending country.

Conference sources said that Japanese Premier Takeo Fukuda first raised the general issue of terrorism. The issue had not arisen in the summit meeting's preparatory work.

President Carter said he thought the summit decision would have an impact on terrorism, and that this pact alone made the summit worthwhile.

Suggestions for economic sanctions against offending countries were rejected as unworkable because they are seldom universally applied.

The United States has always advocated a tough international line on hijacking, and European governments have become more sensitive to the problem following the rise of urban guerrilla violence in several countries.

Reported Willing to Cooperate With West

Soviet Aid Seen in Fight on Terrorism

By John Vinocur

BONN, July 17 (NYT) — Soviet President Leonid Brezhnev appears to have tacitly accepted the idea that the Soviet bloc should assist Western countries in combating terrorism, according to an authoritative source here.

He said it is clearly confirmed that Bulgaria "acted in accordance with Moscow" last month in turning over four suspected West German terrorists to Bonn officials within hours of their capture at a Black Sea resort.

Referring to Mr. Brezhnev, the source said there are now direct indications that the Soviet leadership felt that Soviet interest, as a general rule, is served by assisting in tracking down terrorists.

governments outweigh ignoring them or profiting from them.

"Horst Herold, head of the Criminal Investigation Bureau in Germany, has estimated that about 100 West German urban guerrillas are still at large, including 15 who have taken part in the country's most dramatic terrorist acts. Eight suspects are in jail in connection with the kidnapping and murder last fall of Hanns-Martin Schleyer, president of a West German employers' association."

In the Bulgarian arrests, West German police were allowed to enter the country and assist Bulgarian

officials in capturing three women and a man, two of them suspects in the 1975 kidnapping of the West Berlin leader of the Christian Democratic Party and the 1974 murder of a West Berlin Supreme Court judge.

It was the first time that permission for West German officers to operate within a Communist country had been granted. In contrast, Iraq has turned down requests from West German police officials to be allowed to gather material there on the operations of the Red Army faction of the late Andreas Baader and Ulrike Meinhoff.

Although the statement mentioned no offender countries, Arab countries such as Libya, Southern Yemen and Algeria, which support radical Arab guerrilla movements, have in recent cases taken actions that would bring the ban into effect. The United States cancelled a recent sale of military trucks to Libya because of terrorism.

Conference sources said they hoped the stand against air piracy would help limit the resources of terrorism and curb hostage-taking in general.

—JOSEPH FITCHETT

A Possible Successor to Brezhnev

Top Soviet Official Fedor Kulakov Dies

MOSCOW, July 17 (AP) — Fedor D. Kulakov, 60, a member of the Soviet Union's ruling Politburo and, in the view of Western diplomats, one of the top candidates to succeed President Leonid Brezhnev, died of a heart attack today.

Mr. Kulakov was awarded a "Hero of Socialist Labor" star on his 60th birthday as is Soviet custom. In his congratulatory speech,

Mr. Kulakov, born to a peasant family on Feb. 4, 1918, was a secretary of the Communist Party's Central Committee and was the Politburo member in charge of agriculture.

Tass said that he had had a stomach operation in 1968 and was suffering from coronary atherosclerosis as well as chronic pneumonia. A committee has been formed to oversee the funeral, and Mr. Kulakov will be buried in the Kremlin wall on Red Square, the announcement said.

An obituary signed by Mr. Brezhnev, Premier Alexei Kosygin and other Soviet leaders said: "Death has snatched from our ranks a noted figure of the Communist Party and the Soviet state."

A Western diplomat said that Mr. Kulakov was not very well known among Westerners and was

one of the more mysterious figures in the Soviet leadership. "He was commonly rated as a possible successor [to Brezhnev], especially in recent years," the diplomat said.

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UN Agency Terms Outlook Grim

Per-Capita Food Output Is Dropping in Third World

By Boyce Rensberger

NEW YORK, July 17 (NYT) — Per-capita food production in most developing countries declined last year, according to figures made public by the World Food Council, the top United Nations agency monitoring the global food situation.

The decline extends a trend of eroding agricultural productivity that has continued for several years and is causing concern about a possible world food crisis.

The report was one of several gloomy assessments of the world food situation that emerged from a meeting of the World Food Council last month in Mexico City.

Among the developed countries, it was then reported, food production grew only slightly during 1977 — at a rate well below that considered necessary to keep up with population growth. During the 1970s, food production in both developed and developing countries has been growing at a slower pace — 2.4 percent a year — than during the 1960s, when it rose 2.8 percent a

year. Four percent is the rate of increase that experts think would be necessary for major progress in eradicating hunger and malnutrition.

Progress has been slowest in African countries, where food production increases during the 1970s have fallen to 1.3 percent a year, half the pace of the previous decade and about half the rate at which the population is increasing in Africa.

The slowdown of agricultural progress in developing countries is attributed to several factors, including bad weather, wars, disarray in government agricultural development programs and declining aid from developed countries. In 1976, the last year for which figures are available, foreign aid from all coun-

tries for development of agriculture in the Third World declined by 9 percent in real terms.

Although three good crop years have dimmed memories of the waves of famine that ended in 1975, food experts note that the recovery has been caused more by favorable weather than by any effort to improve the ways in which food is produced or distributed.

Many more people in developing countries are vulnerable to a food shortage than ever before, according to figures recently issued by the Food and Agriculture Organization of the United Nations. The estimated number of people suffering chronic malnutrition has risen to 455 million from 400 million at the beginning of the decade.

Though recent harvests have

been good in many places, some regions are suffering. Last September, for example, drought returned to parts of northern Africa, triggering a serious food shortage that continues to require substantial food aid. Food shortages have developed in many other African countries as well as in Afghanistan, Indonesia, Laos, Lebanon, Nepal and Vietnam.

Many food experts fear that the momentum to improve world agriculture, a force built up during the last food crisis and culminating in the 1974 World Food Conference in Rome, may have been lost before it could achieve any lasting gains.

"The world food system is not being seriously modified to eradicate hunger and malnutrition," said John Hannah, executive director of

the World Food Council, at last month's Mexico City meeting, which brought together ministerial-level representatives from the 36 countries elected to the council by the UN General Assembly.

"There has been a reluctance on all sides," Mr. Hannah said, "developed and developing countries, and the international agencies, to face up to the resolutions of the World Food Conference, and there is a reluctance to address these food problems in a way that would show promise that the goals of the conference can be achieved."

Production Outlook

Perhaps the most dismaying aspect of the current situation, in the view of many food experts, is that even though many countries are producing more grain than they are consuming, the excess is not being put into a coordinated system of international grain reserves. Instead, the surplus remains on the market, where it serves only to depress grain prices — and farm income.

Under such circumstances, the reaction of most farmers is to cut back on production. In the United States, for example, the Department of Agriculture has viewed the bountiful harvests of 1976 and 1977 with alarm and taken steps to cut the acreage devoted to grain production. It is expected that grain harvests this year and the next will be substantially below what is possible.

Mr. Hannah said the current situation showed "disturbing similarities" to the conditions prevailing a year before the last major food crisis began in 1972. World food stocks, currently equal to 19 percent of a year's consumption, are about the same as they were then.

Israel Stand Is Defended

(Continued From Page 1)

their attitude as showing "fanaticism and narrow-mindedness." It was reported that when he left the Cabinet meeting, he displayed his anger at a meeting of the Knesset Foreign Affairs and Security Committee.

Sources said that Mr. Weizman informed the committee chairman, Moshe Arens, that he had nothing to report on his meeting with Mr. Sadat, and that any committee members' questions should be addressed to Mr. Begin.

After the Cabinet meeting, Mr. Begin said that Mr. Weizman's conversations with Mr. Sadat had come up, but that the ministers did not debate them at length because of a tight schedule.

The Cabinet briefly debated the foreign ministers' conference in Britain, scheduled to start tomorrow and to be attended by Mr. Dayan and Egyptian Foreign Minister Mohammed Ibrahim Kamel, as well as U.S. Secretary of State Cyrus Vance.

No details of President Sadat's suggestions to Mr. Weizman were officially made public yesterday, because the Cabinet discussed them after convening as the ministerial Committee for Security Affairs. Under Israeli law, it is a strategic Israeli military presence in the West Bank after a Middle East peace settlement is reached.

Mr. Sadat reportedly also told Mr. Weizman that Egypt is ready to give Israel some standing in the administration of the West Bank, although principal control should rest with Jordan and the Palestinian Arabs living in the occupied territory.

Mr. Weizman and other officials in the government are known to consider Mr. Sadat's suggestions a softening of the Egyptian negotiating stance. Sources in the government said, however, that Mr. Begin believes that the Egyptian president is cleverly orchestrating world opinion in his own favor and is portraying Israel as intransigent.

In his interview with the Jerusalem Post Mr. Sadat pointedly spoke of his "special relationship" with Mr. Weizman and said that he could "speak the same language" with both Mr. Weizman and Shimon Peres, leader of Israel's opposition Labor Party. Mr. Peres recently met with Mr. Sadat in Vienna.

President Sadat referred to Mr. Begin as "hard-line" and said that he had no common language with the Israeli prime minister.

Financial Troubles

There is not much question over the seriousness of farmers' financial plight. They lost an average of \$890 for every acre farmed last year, according to Seikanen Figurs. On this basis, Mr. Hiraoka would have lost about \$3,300. Being diligent and young, he probably did better.

About 35,000 families work or partly work Japanese tangerine plants in Shizuoka province. But within a decade, only 2,000 will be left, according to the authorities in Shizuoka City.

The problem throughout Japan is that supply has been mopped up by turning the mikan to juice and adding sugar before exporting to Saudi Arabia and elsewhere in the Middle East.

But Japan still has too many mikan. Production ran about 3.6 million tons last year compared with a demand of only 3 million tons. Importing oranges would be doubly wounding because U.S. oranges taste better than the mikan, which is not usually sweet, and is often dry. "The truth is that oranges taste much better than mikan," said Kenji Henmi, a professor at Tokyo University.

Key Votes

To make the situation more complex, mikan farmers hold key votes in rural districts that send an estimated 290 of 763 members of Parliament to Tokyo, and elections are due this autumn. But the estimate is considered by some to be exaggerated.

In the constituencies of most of the elected members, only a small fraction of voters are mikan farmers; but there is much sympathy for them. And sure proof of bad faith of the politicians to many voters would be an increase in the orange import quota when the mikan industry is threatening to fall apart.

"Liberalization is a killer," Mr. Hiraoka said. "I would convert to some other crop if I could — but what could you plant up here?" A small increase in the quota probably is the maximum that the Japanese will give, whatever the consequences for the Tokyo Round as a whole.

Egypt Seeks U.S. Role

(Continued From Page 1)

went so far as to express the need for "a new Israeli leadership familiar with the new realities."

Ideally, Egyptians would like to see Mr. Begin replaced, either through a no-confidence vote in the Knesset or through elections. But more realistically, they hope that he can be brought to a more flexible position by internal and external pressures.

The mood in the Egyptian Foreign Ministry on the eve of the ministerial conference is one of determined optimism. Foreign Minister Mohammed Ibrahim Kamel said that Egypt was going to the talks in the same spirit that Mr. Sadat launched the peace initiative, "an open-minded, constructive spirit, hoping for the best."

The Egyptian-Israeli meeting to be chaired by U.S. Secretary of State Cyrus Vance, will be the first direct political negotiations between the two countries since Egypt suspended talks in Jerusalem last January.

Prior Rejection

Egypt and Israel are to present their respective peace plans, although these have already been rejected by the two sides.

Official U.S. sources have said that an effort would be made to concentrate on the areas of common accord, such as provisions calling for a five-year transitional period for the West Bank of the Jordan and Gaza, a form of self-rule for the inhabitants of those areas, security arrangements and normal relations.

Egyptians hope that if a deadlock is reached in the discussion of the peace plans, the United States will offer proposals of its own. "We hope the United States will bridge the gap, as full partners," Mr. Kamel declared.

To Protect Small Tangerine Farmers

Japan Set to Call Off Major Trade Deal

By Henry Scott-Stokes

SHIMIZU, Japan, July 17 (NYT) — Can the fate of nations and the future of the "Tokyo Round" — the most important commercial negotiation of the decade — rest on the vote of a single small Japanese mikan (tangerine) farmer?

Not quite, but almost. Yasuhiro Hiraoka farms mikan, which are like tangerines but more yellow. To save him and his fellows from extinction, the Japanese government is virtually prepared to wreck the Tokyo Round in the General Agreement on Tariffs and Trade.

Senior ministers say that they cannot bend to a U.S. demand for access of California and Florida oranges to the Japanese market. The head of Japan's Economic Planning Agency, Kiichi Miyazawa, and Nobuhiko Ushiba, the minister of external economic affairs, made this clear in recent interviews.

Business Threatened

Yet President Carter's trade negotiator, Robert Strauss, has said that he must have a bigger Japanese orange quota — which only U.S. producers would fill (plus perhaps a few Jaffa oranges from Israel) — or he will not be able to "sell" to Congress the Tokyo Round package that he is putting together with Mr. Ushiba and Wilhelm Haferkamp of the European Economic Community.

What emerges from a visit to Mr. Hiraoka's beautiful but extremely inefficient mikan plantation here is that any liberalization of orange imports would kill the business of this tough breed of Japanese farmer. The orange quota is 45,000 tons a year, calculated to do mini-

mal damage to mikan prices in the autumn season.

"I have 1.5 hectares altogether," Mr. Hiraoka said as he stood on the shoulder of a steep mountain above this port town of 250,000. "But they are split up in parcels here and there."

Like so many small holders in Shizuoka province, Mr. Hiraoka inherited scattered bits and pieces of parcels of land. He cannot work on one given spot. "Of course one of our biggest problems is just the nature of the land here," he said. "It's steep and it's dangerous at times."

In old mikan provinces like this — as distinct from the more efficient plantations in Ehime and in Kyushu, which were recently planted with young, more vigorous trees — the farmers are required to have their trees on steep slopes because they would risk frostbite in the spring at the bottom of the valley.

The steepness of the mountains demands great ingenuity on the farmers' part to collect their crops.

In the old days they were together, and they were more hands to do the work at harvest time. Farmers from an earlier era could carry twice their weight, up to 330 pounds, on their backs, for several miles.

Now the collection must be mechanized. Mr. Hiraoka has built a miniature mountain railway across his land, with a small gasoline engine that zigzags across the slopes and brings the fruit up the hill to a road at the top in the fall.

"Farmers are working for years to pay off their share of the cost of building the road," explained an official from the local Seikanen, an citrus farmers' cooperative that markets and cans mikan.

World Economic Strategy Is Set at Bonn Conference

(Continued From Page 1)

the counterpart of U.S. pledges on energy.

The West German commitment to increase domestic demand will come up for approval later this month when the Parliament meets to consider the budget, and could announce a rumored \$6 billion tax cut. The Parliament's session was delayed until after the Bonn summit.

In their summit pledge, the West Germans said their magnitude of expansion would take into account the absorptive capacity of the capital market and the need to avoid

inflation. President Carter also pledged to counter inflation by reducing proposed tax cuts and cutting government spending.

The leaders agreed to have their representatives review progress later this year. The fifth economic summit meeting will be held in 1979.

U.S. Prisoners Allegedly Still In Vietnam Jails

SAN DIEGO, July 17 (AP) —

The U.S. State Department will investigate a Vietnamese businessman's claim that he saw 49 Americans in Vietnam jails after May, 1975, a department official said yesterday.

"I think we will follow up on this information," said Frank Sieverts, who represented the State Department at the annual meeting of the National League of Families of American Prisoners and Missing in Southeast Asia.

Ngo Phi Hung told the convention Saturday that he was able to visit jails in South Vietnam after the North Vietnamese and Viet Cong took control on April 30, 1975, by volunteering a 100-unit truck transfer service.

Vietnam has said there are no U.S. prisoners still alive there. The United States counts 557 Americans missing from the war.

Mr. Hung said that he learned from a prison warden that three of the 49 men he saw were civilians and that three officers had died, two by suicide, while six others were in poor health.

Turk to Visit Norway

ANKARA, July 17 (Reuters) —

Turkish Foreign Minister Gunduz Okcu will pay a five-day visit to Norway, starting tomorrow, the Foreign Ministry announced here today.

They were the former high commissioner for youth, Tjani Ould Karim, and the former secretary of the president's office, Mohamed Ali Cherif, the radio said.

2 Ex-Aides Reported Freed in Mauritania

NOUAKCHOTT, Mauritania, July 17 (Reuters) —

Two senior members of the former government deposed in a bloodless coup a week ago, have been released from detention, radio Mauritania said.

They were the former high commissioner for youth, Tjani Ould Karim, and the former secretary of the president's office, Mohamed Ali Cherif, the radio said.

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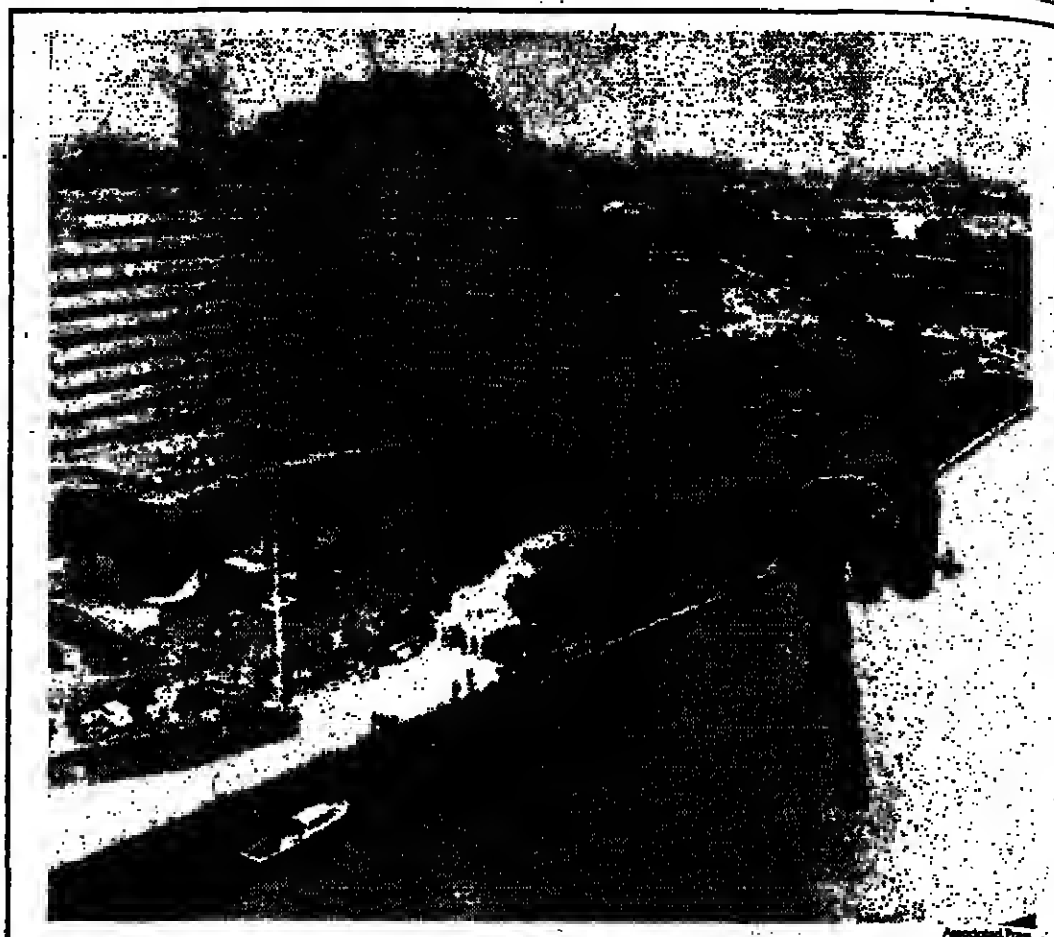
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FROM LONDON BRIDGE HE'S FALLING DOWN — Sgt. Eric Cornish of the British Royal Marines' mountain warfare unit performs the "Death Slide" between the top of the London Bridge tower and the forecourt of the Tower Hotel. He and other Marines will perform the "Death Slide" during the Royal Tournament starting at Earls Court next week.

Sarkis Likely to Delay Resignation

Risk of Fresh Lebanon Violence Ebbs

By Thomas W. Lippman

BEIRUT, July 17 (WP) — A handful of Lebanese policemen have returned to the streets of East Beirut, taking positions between the Syrian troops and Christian militias who fought each other there a week ago, as the first step in a fragile agreement aimed at averting further bloodshed.

President Elias Sarkis, after more than a week of wavering, in which he gave the country no clues about what he was up to, is expected to announce soon that he will put off his resignation for a few months to see if order can be maintained and a firm accord reached.

As a result, the threat of an imminent renewal of violence has been lessened and the political crisis that would have been caused by Mr. Sarkis' departure has been postponed.

But the prevailing view here is that the respite is only temporary because the latest round of fighting, like all those that preceded it, failed to resolve the issues.

Five Violent Years

Five violent years have passed since Muslim Premier Saeb Salam quit in a dispute over control of the Christian-dominated Lebanese Army. Tens of thousands have died since. The alliances have formed and been broken. International organizations have stepped in — but there is no sign of an imminent end to the struggle over who is going to control Lebanon and what is to be this country's relationship with Israel and the Palestinians.

Implementation of the disengagement agreement in Christian East Beirut, where Syrian troops of the Arab peacekeeping force and Christian militias battled it out last week, began without any official announcement that an accord had been reached. In the vacuum created by President Sarkis' threat to resign, it is still not clear who negotiated it on behalf of the government.

It apparently calls for a gradual thinning-out of the Syrian forces and the insertion of Lebanese police officers between the Syrians and the Christian militiamen while talks continue about what happens next.

Whether those talks will succeed is questionable. Syria has committed itself to subduing the Christian militias and must either press on with its campaign against them — risking Israeli intervention — or suffer a severe political embarrassment.

Christians Defiant

The Christians are defiant, demanding that the Syrians get out of Lebanon, and are reinforcing themselves for house-to-house warfare in East Beirut. Mr. Sarkis remains powerless to control either side.

The Lebanese Muslim left and the Palestinians are watching events warily, ready to step in to protect their own interests or score

points against the Christians, whom they battled during the civil war.

At the same time, Palestinian guerrillas in the south are harassing United Nations troops sent in after the Israeli invasion in March. And a new Israeli attack is a constant threat.

Lebanon appears to be more and more a victim of its own political system, a blend of law, religion and tradition that held together for years but, once disrupted, has been unable to right itself.

Factional Maneuvering

Lebanese factional bosses are maneuvering for position — including rival claimants for leadership among the Christians, a struggle already stained by the blood of many victims.

One reason Mr. Sarkis delayed his resignation, according to well-informed Lebanese and Western sources, was that his premier, Salim Hoss, a Sunni Moslem like all his predecessors, refused to step down. That meant Mr. Sarkis' departure would have left a Moslem as de facto head of state until the election by Parliament of a new president — a violation of the unwritten law

that the head of state must always be a Maronite Christian.

The Lebanese Army cannot be deployed either in East Beirut or in southern Lebanon because it is similarly paralyzed. It disintegrated during the civil war, and attempts to rebuild it have been slowed by Moslem-Christian rivalry.

Mr. Sarkis, whose legendary caution and intransigence are not being perceived as signs of weakness and vacillation, has been urged by all sides to stay in office. But that, informed observers say, mostly because nobody could come up with another candidate.

Christian leaders like former President Camille Chamoun argue that if foreign forces — name Syria and the Palestinians — would get out of Lebanon, the Lebanese could settle their differences peacefully.

The Moslems have replied that that would only leave the Maronites free to reassert their traditional dominance over the country's political and economic life. In any case, the Palestinians are not leaving because they have nowhere to go, and the Syrians have given no indication that they consider their mission in Lebanon finished.

Britons Are Asked to Help Scientist With Fishy Project

LONDON, July 17 (UPI) —

If you're planning to arrive in Britain late this week, hold your nose. It's National Fish Skin Week. "It's flies we're after, actually," James Dear of the Natural History Museum said. Mr. Dear, 25, is appealing to Britons to litter their gardens and lawns with "fish heads, fish skins, pieces of rotting meat or a piece of fish that doesn't smell too good" and leave them in the sun all week.

Mr. Dear, who has spent five years "just dealing with blowflies, on a worldwide basis," wants to learn how the nine species of greenbottle flies and nine of bluebottles native to Britain are distributed around the British Isles.

"They're attracted by carrion, so it seemed a good idea to have people throughout the country put smelly fish or rotting meat in their gardens to lure the blowflies," he said. "When the flies gather, people should not them — a butterfly net or just a piece of gauze will do — pop the flies in a bottle and let them die. Once the flies dry out they can be put between sheets of tissue paper, put in a tin [can] — an empty tobacco tin or something — and sent to me."

Mr. Dear will plot the distribution of his fly samples, gaining information that he said would be "useful when it comes to answering public health questions and in medical-legal problems." He cited a murder case in Norway, where scientists proved by blowflies on the body that the victim had come from a specific locality, the only one where the particular species of fly lived. It helped solve the case, Mr. Dear said.

Angola and Zaire Agree To Reopen Key Rail Link

KINSHASA, July 17 (Reuters) —

Zaire and Angola have agreed to reopen the vital Benguela railway just two months after a rebel invasion of Zaire's Shaba province from Angolan territory.

Congo radio said today that the

decision was made when delegations from Zaire and Angola met in neighboring Brazzaville last week and to discuss normalizing relations.

The railroad line is an important outlet for copper exports from Zaire and landlocked Zambia. It line, which runs 1,250 miles from the Angolan port of Lobito on the Atlantic coast through Zaire in the heart of Africa, was closed in August, 1975, because of the Angolan civil war.

Relations between Zaire and Angola have been strained since Marxist President Agostinho Neto emerged from the civil war to take power in Luanda when the former Portuguese colony gained independence in November, 1975.

They were stretched further by the invasion of copper-rich Shaba province in May and the killing of several hundred blacks and whites by rebels.

Zaire President Mobutu Sese Seko charged that Angola had backed the rebels, which he said were armed and trained by Russians and Cubans in Angola.

500-Acre Fire in U.S.

PALMDALE, Calif., July 1

(UPI) — Firefighters worked five hours yesterday before containing a 500-acre brushfire in the Angeles National Forest. They were no injuries and no structures were burned.



ONE WAY TO COOL IT IN ROME — While thousands of Romans flocked to the beaches as summer temperatures began to bake Europe, this young lady just stretched out to take a bit of sun — and a rest — on the edge of the Four Rivers Fountain in the Piazza Navona.

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JULY 1978

Would Emphasize Hardship Cases

Commission Head Urges Revision of U.S. Job Data

By Philip Shabecoff

WASHINGTON, July 17 (NYT) — While conceding that numbers are not unimportant, Sar Levitan, chairman of the National Commission on Employment and Unemployment Statistics, displays on the wall of his office a plaque reading: "Statistics Are No Substitute for Good Judgment."

The three-month-old commission is charged with examining and recommending changes in the ways the government defines and counts those who hold jobs and those who do not.

At stake, among other things, is the way \$17 billion a year in federal funds is distributed among the states and localities, which receive their shares on the basis of unemployment statistics. Contemplated changes could lead to profound alterations in the way the government deals with unemployment.

Mr. Levitan believes that the definition of employment and unemployment and the ways they are measured are due for some overhauling. The existing approach, particularly the "current population survey" conducted by the Labor Department each month,

dates to the 1930s, and Mr. Levitan said that there had not been significant adjustments since the early 1960s.

Sour Feelings

The formation of the commission by President Carter has produced some sour feelings at the Labor Department's Bureau of Labor Statistics, which prepares the employment data and other important statistics. At the bureau, it is believed that no overhaul is necessary and that many of the changes envisaged by Mr. Levitan are unnecessary, impractical or impossible.

Statistics, Mr. Levitan said, may be adequate for measuring the magnitude of unemployment at the national level, but they "come close to being straight random numbers" when it comes to reporting the situation at the local level, at which the federal pie is divided.

"If unemployment happens to be 9 percent in a particular city instead of the 7 percent listed," he said, "the city could lose millions of dollars a year."

The national sample for the population survey is 56,000. But, he said, when measuring unemployment of black workers in a given city, it may be only two or three households, far too small to be meaningful.

Approach Questioned

Referring to the commissioner of labor statistics, Mr. Levitan asked: "Nobody questions that Julius Shiskin is honest, but are the numbers honest and are we measuring the right things?"

He questioned whether "16- and 17-year-olds who go to school full time and look for a babysitting job or lawn-mowing job one or two hours a week" should be counted as part of the labor force, as they are now.

Members of the military are counted as part of the labor force. That was proper, Mr. Levitan said, when conscription was in effect. But with volunteer armed forces, he suggested, military jobs should be treated like other jobs for statistical purposes.

He believes that unemployment statistics are not an adequate gauge for public policy-makers. He points to the case of a woman who earns \$18,000 a year and whose husband loses his job.

"Should we spend additional federal funds to create a job for such a person?" he asked, asserting that this family was out to a hardship situation despite the unemployed husband.

The other side of this coin, he said, is that there are about 900,000 heads of families working full time with an income below the official poverty line.

"What we need is an index that measures not just unemployment but hardship — an index that provides both earnings and employment data," Mr. Levitan declared.

Changes have to be made in the statistics, he said, and they have to be made by an outside commission to avoid potential changes of political motivation.

Mr. Shiskin has been ill for several weeks and unavailable for comment. But Robert Stein, assistant commissioner for current employment analysis, conceded that a periodic review of the bureau's procedures by an outside group was probably a good idea.

"But I honestly don't see that we need to make any changes in our general approach," Mr. Stein said, adding that many of the changes contemplated by the commission would add to the complexity of the statistical series and interfere with their continuity, without adding much in the way of usable information.

"As for a hardship index, I am very skeptical," he said. "I really don't think it can be done." One reason, he said, is that people are wary about responding to survey questions on income.

Korchnoi Draws White Pawn, Will Start

Neither Flag Flown as the World Chess Match Opens

BAGUIO, Philippines (AP) — Russian doctor Viktor Korchnoi was prevented today from flying the Swiss flag in his attempt at the world chess title, but he defiantly sported the Swiss national emblem on his lapel at the formal opening of the match, and he remained seated when the Soviet anthem was to be played for champion Anatoly Karpov.

But the music turned out to be the "Internationale," anthem of international communism — not the Soviet national song. Realizing the mistake, Mr. Korchnoi sat grinning on the stage of the new \$3.5-million convention center. Mr. Karpov and Philippine and Soviet officials stood solemnly at attention facing the Philippine and Russian flags.

Then everyone sat down while Mr. Korchnoi's selection, a movement from Beethoven's Ninth Symphony, was played.

The mix-up in anthems was "an honest mistake," said match organizer Florencio Campomanes, deputy president of the International Chess Federation.

Maroon Opens Match

Philippine President Ferdinand Marcos officially declared the chess match open before a crowd of about 1,000. In the only real piece of business of the two-hour ceremony, Mr. Korchnoi chose a white pawn from Mr. Karpov's clasped hands, giving him

the first move in tomorrow's opening game.

The flag and anthem incidents were the latest round of a psychological battle between the two Russians. Mr. Korchnoi's appearance at the opening ceremony ended a day of speculation on whether the preliminary disputes would keep the competition from beginning as scheduled tomorrow.

A chess federation jury had ruled earlier today that Mr. Korchnoi, 47, who went into self-exile from the Soviet Union in 1976 and is living in Switzerland, could not play under the Swiss flag or any other national banner. As part of a compromise, Mr. Karpov, 27, cannot have the Soviet flag on the playing table.

Mr. Korchnoi later issued a statement protesting "in the strongest possible terms" the tactics of blackmail and intimidation used by the Soviet delegation "in threatening to pull out of the match if he played under a Swiss flag."

Korchnoi Plea

"We shall not lower ourselves to the reciprocal use of such tactics, but ask the Filipino people not again to allow the legitimate rights of an individual to be crushed on their own soil by the weight of Soviet power," Mr. Korchnoi said.

Mr. Karpov's delegation had protested that, because the challenger is not a Swiss citizen, he



A REAL EYE OPENER — "Bullet" Bob Oldham, 25, demonstrates to a group inside a beer emporium in Myrtle Beach, S.C., how he is able to open a bottle of beer with his eye socket.

'Is Our Time Past?' Tom Hayden Asks

Tax Revolt Casts Chill on '60s Activists

By David S. Broder

ST. PAUL, Minn., July 17 (WP) — The "children of the 1960s" came together here during the weekend to discuss their future in the chilly, grown-up politics of Proposition 13. Like children of other times, they found themselves uncertain and adrift in a world they never made.

The National Conference on Alternative State and Local Policies led and organized by some of the prominent young radical political activists of the 1960s — met here for three days under the shadow of the property-tax revolt.

Now scattered in government offices, community organizations and public-interest groups from Washington to Alaska, the 650 veterans of the peace and civil-rights movements and the radical politics of the 1960s saw their fourth annual reunion marred by the anxieties they all feel about what they perceive as the sudden lurch rightward of the people they have spent their lives trying to organize.

"Is our time past?" asked Tom Hayden, the organizer of Students for a Democratic Society and a Chicago Seven defendant. He and others said it was not possible that they were relics while still in their 30s. But the tales they told were of the John Birch Society taking over a black community organization in Atlanta and blue-collar majorities voting against the rights of homosexuals and other minorities.

Protest Appropriated

As self-proclaimed "populists," they worried that their enemies on the right have mobilized the masses through a tax protest that they somehow felt should have belonged to them.

"It's in the nature of American populism to give mixed blessings," mused Mr. Hayden, who now operates a leftist think-tank and political movement in California.

Talking of the property-tax-rollback referendum passed in California last month, Mr. Hayden capitalized the ambivalence that was so evident at this conference.

"It is, in many respects, a legitimate grass-roots populist revolt against the stupidity of government," he said. "But it clearly favors the large landowners and property owners. It really put us in a kind of bind." He called the outcome of the vote "the death of the New Deal."

Out of Touch

Sam Brown, the anti-war organizer who cooed the Action agency for volunteer social projects in the Carter administration, said that Proposition 13 showed that American liberalism is out of touch with the nation's mood.

"People are tired of massive,

anonymous mega-programs that provide visible benefits only to professional bureaucrats," Mr. Brown said. "The property tax is no longer a viable instrument of public finance."

But he, too, said Proposition 13 had to be recognized as part of an attack on "the poor, the black and the brown."

Behind the confused reaction was the sense by these activists of the 1960s that their old enemies of the political right had outmaneuvered them and gotten closer to the people, at least on the issue of taxes and government waste.

First Run

Many of the activists are still climbing the first rungs on the ladder to power. Mr. Brown was with a group of about two dozen junior Carter administration appointees. Others held city and state elective office, and many are in key staff jobs in local governments.

But most of them are still "on the outside," working in commu-

Invitation to U.S. for Ian Smith

Hands State Dept. a Hot Potato

WASHINGTON, July 17 (NYT) — The pastor of a church in a Chicago suburb has handed the Carter administration a delicate problem by inviting the Prime Minister Ian Smith of Rhodesia to participate in a religious conference July 29.

The Rev. Paul Lindstrom of the Church of Christian Liberty in Prospect Heights, Ill., said Saturday that Mr. Smith and the three black leaders who participate with him on Rhodesia's Executive Council had all accepted the bids to attend the conference. He said that word of the acceptance had been telephoned to him from Salisbury on Friday.

The question of a visa for Mr. Smith, still in actuality the head of a white-minority government declared illegal by the United Nations and against which the United States still maintains economic sanctions, is bound to cause the administration embarrassment, State Department officials said privately Saturday.

Bishop Abel Muzorewa, one of the three black leaders on the Executive Council, visited Washington last March to try to obtain administrative support for Rhodesia's internal settlement. His opponents, Joshua Nkomo and Robert Mugabe, who direct the two guerrilla factions in Rhodesia, have also visited the United States this year.

But the granting of a visa to Mr. Smith will inevitably cause the administration problems with the leaders of black governments of countries situated on or near Rhodesia's borders, which have supported the U.S.-British view that an enduring Rhodesian settlement would require the participation of Mr. Nkomo and Mr. Mugabe.

Excessive Drugs Blamed

For N.Y. Hospital Deaths

By Pranay Gupta

NEW YORK, July 17 (NYT) — Heavy doses of tranquilizers given to patients at two of New York state's biggest mental institutions, both in Rockland County, were a

contributing factor in the deaths of numerous patients, the county's medical examiner said yesterday.

The official, Dr. Frederick Zugibe, said that studies by his office involving the Rockland Psychiatric Center in Orangeburg and the Lenoxworth Developmental Center in Thiells had shown that "many" of the patients who died at those institutions were tranquilized to the point where they were unable to feel pain that normally would warn of severe medical illness.

"A large percentage of deaths from the two institutions that we study are tranquilizer-related," Dr. Zugibe said, declining to release figures.

Dr. Zugibe said that patients who might generally have had speech problems but who could convey their suffering to physicians by groans had had their reactions smothered by the tranquilizers.

Charges to Be Studied

In response to the charges, a spokesman for the State Department of Mental Hygiene, which supervises the facilities, said that Dr. Zugibe had not shown "the courtesy of sharing his information with us" and that there would be official comment only after the charges had been studied.

But Dr. Michael Baden, the New York City chief medical examiner and one of seven members of the New York State Mental Hygiene Review Board, which studies cases of suspicious deaths in state mental institutions, said that previous complaints concerning deaths of patients at the two Rockland centers had been referred to the review board.

"As far as Dr. Zugibe's charges are concerned, the board would be eager to look into them," he said. "If there has been over-medication, it should be stopped."

Alleged Puerto Rican Separatist Held

N.Y. Blast Gives Lead in Terrorist Case

NEW YORK, July 17 (AP) — One hundred and nine explosions came without warning, leaving death but few clues. The 110th, an accident, may lead to the terrorists who set them in the case of Puerto Rican independence.

The accidental explosion of a pipe bomb led police to a "super bomb factory" in an apartment in the New York City borough of Queens and to William Morales, 28, thought to be a leading FALN member. Mr. Morales lost his hands in the explosion and is now in police custody. He is the first person seized by police who is connected directly to the terrorist explosions. The blast may also have led police to another connection between an Episcopal church group and the FALN.

The FALN — the initials represent the Spanish words for the Armed Forces of National Liberation for Puerto Rico — demands Puerto Rican independence and accuses multinational corporations of hampering it. It is believed to have cells in Chicago, New York and Washington. Although most of its attacks have been against property, a blast at Fraunces Tavern in the Wall Street area in January, 1975, killed four persons, and the bombing last summer at the Mobil Oil Building here killed one. In addition, that day about 100,000 office workers were evacuated in New York because of bomb threats. Just before the Democratic Convention opened here in July, 1976, 10 incendiary devices went off in six nearby department stores.

Other Bombings

There have been other bombings in Washington, Chicago and New York. The FALN has called or left notes after each of the bombings. In all, five persons have been killed and 75 injured.

Police said that the recovery of 66 sticks of dynamite last Wednesday in the Queens apartment was the "biggest haul of explosives ever recovered in New York City," a tremendous amount of explosives.

The hideout was found after the bomb blew up in Mr. Morales's hands. The apartment was rented by a couple who, police believe, may have been Carlos Albert Torres, suspected FALN leader, and his wife, Marie Haydee Beltran Torres, who is wanted in the FALN bombing here in 1977. Mr. Torres is on the FBI's most wanted list.

Six devices went off Wednesday night, including three in closed stores. Three other bombs found at the apartment — along with 66 sticks of dynamite, a weapons arsenal and various bomb-making and timing devices — exploded in a police bunker, responding to timers.

Police found other clues that lead them to believe that the terrorists have even more dynamite, and a new FALN note warns that they may use it this month. A message received by news media Thursday, but mailed before the bomb cache was found, claimed responsibility for an "armed attack against the property of the North American corporations and the U.S. military."

Police, who said the note appeared authentic, do not know what the targets were to have been.

Doctor in U.S.

Sued for Killing Embryo in Tube

NEW YORK, July 17 (Reuters) — John and Doris Del Zio of Florida have filed a \$1.5 million damage suit here, claiming a doctor deliberately destroyed their embryonic test-tube baby in 1973.

The couple alleged that the doctor maliciously and arbitrarily opened the test tube containing their embryonic baby three days before the embryo was to have been implanted in Mrs. Del Zio's womb.

The doctor, Raymond Wiele, formerly chief of obstetrics and gynecology at the Columbia Presbyterian Medical Center, said in a deposition filed with the court that he destroyed the embryo because he thought the doctors in charge of the fertilization process lacked the experience, skill and expertise to produce a baby.

The world's first test-tube baby is due to be born in Britain in two weeks.

Air Slowdowns

Delay Tourists

LONDON, July 17 (UPI) — Work slowdowns by air traffic controllers forced thousands of British tourists bound for Spain, France and Portugal to camp out in airports last weekend, one of the busiest of the year.

Londoo's Gatwick Airport was worst affected. About 20,000 passengers suffered delays averaging 12 hours. There were similar delays for vacationers returning from Spain and Portugal. The strike in France affected the staffs at Aix-en-Provence, Nice, Marseilles and Bordeaux, who cootened they are understaffed.

In Paris, where work continued normally, officials blamed delays on striking air traffic controllers in Spain and Portugal. Airport officials in Spain denied there was a strike and blamed delays on striking staff members in France.

Colombia Result Official

BOGOTA, July 17 (Reuters) — The Colombian electoral court yesterday formally declared liberal candidate Julio Cesar Turbay Ayala the country's new president, to serve for four years.

but they believe a citywide assault had been planned for Wednesday night.

The first progress against the FALN was made in 1976 in Chicago. A drug addict stole dynamite from an apartment and sold some to an undercover agent. Police then raided the apartment, which they say was rented by Mr. Torres.

Until then, Mr. Torres had been considered a quiet, young man. He was a volunteer for the Episcopal Church's Commission on Hispanic Affairs and helped write hymnals and religious texts in Spanish. A church spokesman said that Mr. Morales also worked for the group in 1975 and 1976, the same period as Mr. Torres.

Authorities now believe that the church group is an FALN front. Police sources said that Mr.

Morales was apparently doing top-level work for the FALN. A source said that Mr. Morales is the "first absolute, bonafide FALN member" apprehended.

Five other persons connected to the church group have served jail terms for refusing to testify to grand juries about the FALN.

There is reason to believe that the group still has plenty of dynamite. Sticks found in the New York and Chicago apartments came from a 1976 robbery and more than 130 sticks are still missing, police said.

Thursday's message said, "This July 25, 1978, should not be a day of celebration, but rather a day of protest. For it was on this day in 1898 that the military forces of the United States invaded Puerto Rico and assumed control of the island regardless of the wishes of the people."

Hawaii Eyes Its Volcanos For Future Energy Needs

By Walter Sullivan

HONOLULU, July 17 (NYT) — By 1990, energy officials here predict, the state of Hawaii will be self-sufficient in energy apart from the jet fuel that supports one of its chief industries, tourism.

While wind and heat energy in offshore waters may contribute to this independence, the optimistic projection is largely based on a plan to tap volcanic energy stored in several of the islands.

One such geothermal scheme is under way near Kilauea Volcano on the island of Hawaii, and oil companies are seeking promising sites elsewhere.

A well has been drilled to 6,450 feet south of Hilo on Hawaii, tapping steam and water at a higher temperature than that in any other geothermal wells except in Iceland, according to participants in the project.

Below 4,100 feet, the temperature of the water is above 570 degrees Fahrenheit, which, upon release from pressure, flashes into steam. However, it becomes diluted by cooler water on its way up through shallower deposits, emerging at 400 degrees, 200 pounds per square inch and, by volume, 99 percent steam. By basing the well part way down, it is hoped to reduce the dilution by cooler water.

Volcanically Active

The region is one of the most volcanically active in the world, and it is also the scene of elaborate efforts at eruption prediction. It is envisioned that power plants to exploit the steam will consist of portable modules.

It is expected that the first power unit will be a design provided by the Federal Department of Energy as part of a \$6.8 million development program to which it will contribute \$5.7 million.

The Hawaiian Electric Light Co. has shown reluctance to make a large investment in the project until it is assured that the plant will not be buried under lava or wiped out if the reservoir unexpectedly runs dry. The plan calls for the installation next year of a turbine, using steam at 150 pounds per square inch to generate three megawatts, plus a cooling tower to maintain the steam flow through the turbine, a small electric substation and a visitor center. The plant is scheduled to begin operation in 1980.

To avoid burial by lava, engineers plan to pipe the steam to a plant site on ground that would be bypassed by lava flows.

Energy Estimates

Estimates of the extractable energy from this reservoir run to 100 megawatts. The island only consumes 70 megawatts, some of it generated by burning bagasse, the residue of processed sugar cane. Optimists predict an energy output 10 times local needs and hope to attract energy-intensive industries.

While steam temperature from the test well is high in relation to most geothermal sources, it is low by conventional power plant standards. One proposal is to burn bagasse to raise the temperature before delivering the steam to a turbine, increasing efficiency.

Hoping to fund further reservoirs, the Atlantic Richfield Co. has taken out lease options on 322,000 acres, and 11 drill permits have been issued.

Aerial infrared surveys have revealed hot springs along the coast but have been of little use in locating them.

U.S. Bid to Cut

Arms Sales Said To Be Failing

WASHINGTON, July 17 (UPI) — Despite its announced policy of restricting arms sales abroad, the Carter administration is not making much progress, a study concluded yesterday.

The authors, including two State Department officials, estimated U.S. sales and grants of military equipment and construction to foreign governments this year at \$15 billion, compared to \$13.2 billion last year.

President Carter ordered a "ceiling" of \$8.6 billion on sales this year, but he exempted items for some allies and for high-cost programs such as construction of airfields and ports for Saudi Arabia.

Philip Farley, deputy U.S. representative for nonproliferation matters, and William Lewis, a State Department expert in African affairs, wrote the study with Brookings Institution research associate Stephen Kaplan.

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Berlin: Still A Problem

In the broad sense, President Carter's ventures into Berlin have revived memories of President Kennedy's assertion that he was a Berliner. And since the atmosphere in Mr. Kennedy's day included the Bay of Pigs and a missile crisis, the memories were not exactly cheerful. But the continuing problem of divided Berlin — the Jerusalem of Central Europe in terms of controversy, although not those of inspiration — has been summoned up again.

Mr. Carter did not do it alone. The East German government, which has always hankered after West Berlin and resisted any attempt to include that portion of the city into the Federal Republic complained about the West German officials who accompanied Mr. Carter and emphasized their complaint by giving special inspections to traffic on the roads leading from the West into Berlin — a process which caused long delays and evoked angry protests.

This was rather more than a merely verbal evocation of the past. It constituted a sharp reminder of the way in which the Soviet Union began the Berlin blockade, by requiring permits for goods and passengers entering the city. That was 30 years ago — but the big airlift that eventually broke the blockade has not been forgotten. Indeed, the Berlin Wall, although only half as old as the blockade, crawls through Berlin in a grim, dramatic and permanent analogue to the earlier noose thrown about the western part of the city. To

be sure, as Mr. Carter pointed out, the Wall was intended to keep East Berliners in, rather than Westerners out, but the analogy persists.

The problem of Berlin is real enough. It began when the Allies against Hitler set up their occupation areas in conquered Germany. The Elbe was the chief dividing line between the Soviet Union and the Western armies, but since this would have given the Kremlin all of the German capital, Berlin was also divided. East Berlin is a part of East Germany; West Berlin has a special status as a kind of city-state. Yet its ties with West Germany are real and close.

Efforts have been made (notably in 1971) to ease the frictions resulting from this state of affairs, to ease movement between East and West, to permit broken families to come together. And some success was achieved.

But whenever tension is created between East and West, whether over incidents within the divided city or broad arguments, as at present, over human rights, Berlin is usually the first place in Europe where the danger becomes evident. The divided city may not necessarily be the cause of the trouble — although that is always a possibility when two such diverse state systems confront one another so intimately. What is very sure, however, is that when trouble develops, it is reflected in Berlin. The Wall and all it signifies still stand.

Movement in Middle East

As the United States, Israel and Egypt prepared for their foreign ministers meeting this week in a castle outside London, a brief wrap-up of the latest reports from the Middle East peace front is in order.

The government of Prime Minister Menachem Begin is bringing to the meeting a 26-point peace plan that the Egyptians find unacceptable. Egypt's President Anwar Sadat will be sending his own six-point plan, which the Israelis have totally rejected. Yet another peace plan, drawn up by — who else? — Austrian Chancellor Bruno Kreisky and Willy Brandt, the leader of West Germany's Social Democratic Party, was put forth in Vienna last week for presentation to a forthcoming meeting of the Socialist International in Paris.

It was immediately embraced by Mr. Sadat, denounced by Israeli Foreign Minister Moshe Dayan and warmly welcomed by former Israeli foreign minister Abba Eban.

Also in Austria, Mr. Sadat met last week with Shimon Peres, of the Israeli Labor Party opposition and with Ezer Weizman, who is Mr. Begin's sometimes dissident defense minister. According to a Reuters dispatch, he was not cheered by either meeting. Just before leaving home, he complained that "it's only us who are making concessions — the Israelis never make concessions."

But hours later, the Associated Press quoted Mr. Sadat on his return to Alexandria as saying that his Austrian visit had been "more than a success from my point of view, and let us hope that in the near future there will be concrete results." Egypt's Vice President Hosni Mubarak, on hand to welcome his president, ventured the view that "there is a little bit of flexibility in the Israeli side."

Meanwhile, in Jerusalem, Mr. Begin was being quoted as saying that Israel had brought nothing new to Austria and Israeli officials were apparently insisting that Mr. Dayan would bring nothing new to London. And yet the same dispatch said Israeli officials (also unidentified) were so optimistic that they were predicting a "continuing dialogue" between Israel and Egypt even if this week's London meeting produces no progress.

The confusion and contradictions here strike us as a healthy and promising sign. They are almost certain evidence that some

kind of backstairs bargaining is going forward and that some progress is actually being made. The forthcoming conference of U.S., Israeli and Egyptian foreign ministers, for example, will probably try to separate out the promising areas for agreement and identify the obvious areas of disagreement in the respective Egyptian and Israeli proposals, rather than get down to hard bargaining. But in terms of general principles and means of procedures — as distinct from the sort of material progress or "breakthroughs" that on-lookers will be straining to find, or to find missing — the meeting will probably move the process along to some future agreed-upon follow-up conference in a less conspicuous locale, such as the isolated Sinai desert town of El Arish, which was actually Mr. Sadat's first choice.

And then what? Another Weizman-Sadat encounter is already scheduled in Alexandria. After that, there is likely to be more of the same, including more confusion and contradictions, more use of quiet back channels, but nothing anytime soon as electrifying as the Jerusalem drama that initiated the latest phase of Mideast peacemaking. And that, in our view, is all to the good. For the trouble with Jerusalem, and the reason that it so quickly foundered into impasse and bitter recriminations, was that it attempted to lodge at the highest level a process that was always going to have to be worked out, not in a love seat in front of U.S. television cameras but in hard, discreet bargaining on all the tough questions having to do with defensible boundaries, and the precise evolution of the West Bank in slow stages toward some form of autonomy that does not endanger the security interests or foreclose the aspirations of all the parties involved.

That, it seems to us, is what is happening now. And if it lacks the clarity and simplicity of last November's promises of "no more war" and "real peace" from Mr. Sadat, and the large-minded answering pledge from Mr. Begin that "everything is negotiable," it at least expresses in its own grudging way the essential spirit of Jerusalem: a mutual interest in movement, however halting and fumbling — a desire on both sides to do something to deal with the impasse and the stagnation that are the real threats to stability in the Middle East.

THE WASHINGTON POST.

International Opinion

Young: Gadfly or Albatross?

Is Ambassador Young a gadfly or an albatross? Last week he dropped a whole hod of bricks and at least one of them could have done serious damage. His remark, eagerly taken up by Izvestia, that there are hundreds or perhaps thousands of political prisoners in American jails, was grossly exaggerated, grotesquely misleading and spectacularly ill-timed. Amnesty International counts 14 American political prisoners; the implication that their fate can be equated with that of their Russian counterparts is absurd; and fir-

ing off the remark in the middle of the Shoharansky, Ginsburg and Pyatkov trials can only have increased their jeopardy. Stillness at such people's expense is the worst form of self-indulgence.

The consistent charge against Young is this bawdiness impetuosity. Over southern Africa it has led him to support the more trigger-happy of the African nationalists. Yet last week's apparently satisfactory conclusion of the Namibia peace plan must owe something to the Africans' perception of Young as a man on their side.

—From the Sunday Times (London).

In the International Edition

Seventy-Five Years Ago

July 18, 1903

PARIS — Few Parisians would dare to smoke in a public bus. The regulations against it are too strict. One, however, did insist on finishing his cigarette in a bus, and contested a subsequent suit by the company concerned. To his astonishment, the judge accepted his contention to the effect that he smoked for hygienic purposes, to kill the microbes in public transportation, and acquitted him, saying that any prefectorial regulations prohibiting smoking in buses were in breach of privilege.

Fifty Years Ago

July 18, 1928

MEXICO CITY — Gen. Alvaro Ortega, President-elect of Mexico, was assassinated here this afternoon in a small restaurant where he was attending a political luncheon. The suspected killer was apprehended by friends of the general as he was running out of the restaurant, after having allegedly shot Ortega five times in the chest. The general had survived a dozen previous assassination attempts perpetrated by radical opponents to his strong law-and-order policies.



The 'Captive Nations' Fantasy

By Stephen S. Rosenfeld

WASHINGTON — Amid the general nastiness pervading Soviet-U.S. relations, there is a readiness in some Washington quarters to make hay out of "Captive Nations Week." The observance treats the Communist countries and especially the various Soviet nationality groups as Moscow's captives, and as nations, and calls in effect for the dissolution of the Soviet bloc and the dismemberment of the Soviet Union. To describe it in these terms is to make plain why Captive Nations Week has never been more than a vehicle of anti-Communist and anti-Soviet extremism.

Yet in the current atmosphere a search is on for ways to punish the Kremlin for its political sins, or to convey revulsion without compromising "real" interests like arms control, and the captive nations idea is a convenient club at hand.

There is something reckless and wrongheaded about the idea, but there is something disarming, too. In the 1960s when many people (including me) were more hopeful about Soviet-U.S. prospects, it was in vogue to dismiss captive nations as an exercise in irrelevance and ethnic politics. That tendency does not have the same force now.

Ethnicity

The main reason, I think, is rising awareness of ethnicity. The phenomenon has complex roots and expressions. In its international aspect, it has helped legitimize demands for nationhood on the part of ethnic groups previously held down. It is, after all, quite arbitrary that 30 or 40 tiny ethnic communities of a couple of million or fewer souls become states while 48 million Ukrainians remain subordinate. If the world can demand nationhood for the 22d or 23d Arab group to claim it, which ever the Palestinians are, how can others be denied?

A second reason why the captive-nations concept is not so readily dismissed is the human-rights movement. It has lent respectability to an array of political causes of the right as well as the left, as long as they can somehow claim to assert an individual's or group's "rights."

From the "captive nations" point of view, the Carter administration held high initial promise. It emphasized human rights and generally

acted that the United States will inevitably be poorly placed to support it. It is thus to headlessly provoke Soviet power.

At least since the Hungarian uprising, successive administrations have conducted a compromised, halfway policy in respect to the "captive nations," teasing or challenging Soviet power but always within limits. Captive Nations Week indulges the fantasy that the United States need not respect limits. It makes the facile equation that whatever discomfits the Russians benefits us. It is a dream — a dangerous dream.

Impetus

Even in the State Department, the impetus for taming the cold-war element of captive nations is attributed to Brzezinski. The captive-nations people barely got a proclamation out of Carter last year, though the law requires one. In that proclamation and in the new one issued last week, there is only an innocuous appeal for "basic rights."

This is, I would argue, just about right. Politically, the administration will take some heat for its diffidence, although among ethnicists themselves only certain subgroups (first-generation emigrants from the Ukraine and Hungary, for instance) seem any longer to care much. The ethnicists, traditionally, have been the most vocal and persistent, mostly have other complaints.

Deeply Flawed

Diplomatically, the "captive nations" idea is deeply flawed. To wait for time to elch deeper divisions among Soviet nationalities and impart more self-confidence among East Europeans is one thing. This is happening, more or less, and the United States must puzzle out its long-term consequences.

But to hold out the promise of nationhood to constituent parts of the Soviet Union and to invite East Europe to break completely free of Soviet control is to tempt foolish

acts that the United States will inevitably be poorly placed to support it. It is thus to headlessly provoke Soviet power.

At least since the Hungarian uprising, successive administrations have conducted a compromised, halfway policy in respect to the "captive nations," teasing or challenging Soviet power but always within limits. Captive Nations Week indulges the fantasy that the United States need not respect limits. It makes the facile equation that whatever discomfits the Russians benefits us. It is a dream — a dangerous dream.

Diplomacy, Not Bluster

By Anthony Lewis

BOSTON — One of the most remarkable feats of U.S. diplomacy in our time: That was what one veteran diplomat said of last week's agreement on a plan to bring the territory of South-West Africa to independence as Namibia. The compliment was not exaggerated.

Namibia is a faraway place of which most Americans know little. But the agreement there, if it sticks, has large implications. It could ease the dangerous tensions in Angola and Zaire. It could reduce Soviet and Cuban influence in the area. It could offer mild hope of encouraging peaceful change on the racial issue in southern Africa generally.

Perhaps most important is what the Namibia story says about the uses of diplomacy. Americans are often impatient, even contemptuous of diplomacy. On Africa especially, these days, a lot of politicians seem to prefer bluster and threat. The situation in Namibia remains so complex, and the parties so touchy, that one has to be wary even now of expecting final success. But at this point the diplomatic process has worked.

Racist Doctrines

The odds against a settlement in Namibia were very long. South Africa has ruled the territory since 1920, applying there its own racist doctrines. Numerous United Nations resolutions have failed to dislodge it. The local guerrilla leader, Sam Nujoma of the South-West

Africa People's Organization, is a rigid figure, wary of negotiations. And the South African Prime Minister, John Vorster, has said he would never deal with Nujoma. Last year five Western countries — the United States, West Germany, France, Britain and Canada — decided to make one last effort to deal diplomatically with that intractable situation. Under United Nations auspices, they set up a contact group to talk to both sides. The idea was American, and the leader of the group was Donald F. McHenry, deputy U.S. representative to the United Nations.

The contact group made repeated visits to South Africa, to Namibia and to the nearby black states: Angola, Zambia, Botswana, Tanzania and Mozambique. It was a year of delays and frustrations. But in the end both sides accepted the group's plan for a cease-fire, a gradual reduction of South African forces in Namibia and a U.N.-supervised election leading to independence.

How did it work? A number of factors came together in the last few months, among them these:

• The president of Angola, Agostinho Neto, wanted urgently to reduce his regime's dependence on Cuban troops and Soviet military aid. One way to do that was to improve relations with the West, calm Angola's border with Zaire and end the guerrilla war across its border with South-West Africa.

• The other nearby African countries had their own reasons, economic and political, for wanting a Namibian settlement. Zambia, for example, feared South African troops crossing its border if guerrilla war continued. President Julius Nyerere of Tanzania was especially strong in persuading Nujoma.

• South Africa took a crucial political decision last April by accepting the Western plan for Namibia. By this unexpected move South

Africa "occupied the high ground, as one diplomat put it. African states realized that they could no longer hope to get Western support for any more moves against South Africa on the Namibian question, and everyone looked to SWAPO for a response.

In the end, the nearby African governments put heavy pressure on Nujoma to accept the Western plan. He had to worry about divisions in SWAPO, too, with other factions ready to turn to polling. He said yes after two last days of meetings with the Western contact group in Luanda.

The political possibilities for agreement may have been there. But as in any negotiation, personal leadership was required to bring them into play. The credit here must go first to the American involved, McHenry. He is a professional, a man of strength and patience. He had to be, to keep two angry sides in Namibia talking deal with other interested parties and at the same time hold the five-nation contact group together.

Credit also goes to Andrew Young. He is in trouble now because of his foolish remark about political prisoners. But as this country's chief representative at the United Nations, he has been highly effective. If African representatives had not come to have so much confidence in Young, and through him in the Carter administration's policy, there could have been no settlement in Namibia.

In May of this year it briefly looked as though the United States was turning to bluster as a way of dealing with Africa problems. President Carter spoke of a "new approach" to the Cubans and Angolans, his intelligence people spoke of returning to the covert methods that had been such a disaster when used by Henry Kissinger. Diplomacy is more difficult, more wearying, but sometimes it works.

APR 1978



A JUGGLERS' PARADE — Delegates to the 31st annual International Jugglers Association convention march through the streets of Eugene, Ore. The convention was believed to be the largest gathering of jugglers in the world this year.

Reasons Not Clear

Mozambique Begins to Build Up Army

By David Lamb

CHIMOIO, Mozambique, July 17 — Long vulnerable to Rhodesian attacks against guerrilla strongholds here, Mozambique has mounted a campaign to bolster its border defenses and build its ragtag army into a respectable fighting force.

The draft has been introduced, making all men and women between the ages of 18 and 40 liable for two years' military service. Defense spending has increased to \$113 million — 29 percent of the budget — and the army has grown over the last year to a force of nearly 20,000.

Soviet arms, including SAM-7 missiles and an estimated 100 tanks, have poured into Mozambique since late last year. The Cuban military and civilian presence here has jumped from fewer than 100 to as many as 650, and there are a handful of Soviet advisers, Western sources said.

The buildup, however, has failed to alter one military fact of life for Mozambique: Rhodesia retains the capability to strike at will across the border, and Mozambique can make little response, short of calling for international assistance.

"Rhodesia could come in tomorrow and if it wanted to — which I'm sure it doesn't — march all the way to Maputo," one military expert said, referring to the capital. "There's not a thing Mozambique could do. Even at the top levels of government, no one here pretends the situation is otherwise."

Guerrillas Are Target

The Rhodesian attacks are not directed against the government of President Samora Machel but at the guerrilla forces of Robert Mugabe, whom Mr. Machel supports in the war for majority rule in Rhodesia. Mr. Machel's commitment to the guerrillas' cause is total.

Mr. Mugabe, co-leader of the Patriotic Front, is waging war in Rhodesia from his Mozambique sanctuary. The other black Rhodesian leader in exile, Joshua Nkomo, controls a guerrilla army based in Zambia.

Mr. Mugabe's army, not noted for its discipline or fighting effectiveness, totals about 20,000 men. About 6,000 operate inside Rhodesia. It is armed by, among others, the liberation committee of the Organization of African Unity.

There is no evidence that Mr. Machel intends to order the Mozambique Army into Rhodesia in support of the Patriotic Front, and it is not entirely clear why he is bolstering his forces. Obviously, however, he would like to have the military capability to protect his own borders, and it is speculated that he realizes that a well-trained and busy army presents less of a threat to his own regime.

2,000 Killed

Last year, according to government officials in Maputo, Rhodesian attacks inside Mozambique claimed nearly 2,000 lives. The biggest raid came last November against what Rhodesia said was a major guerrilla camp just outside Chimoio, 50 miles from the border. Mozambique claims that the camp was populated entirely by refugee civilians.

Coalition Rulers Quit In Key Indian State

NEW DELHI, July 17 (AP) — The chief minister of the important state of Maharashtra, formerly Bombay, submitted the resignation of his coalition government today, ending cooperation between the Congress Party and former Prime Minister Indira Gandhi's breakaway wing.

The resignation of Vasant Rao Patil, a Congress Party member, followed public accusations that Mrs. Gandhi's group was encouraging defections from the Congress to its side.

Yorkshire Lads

Get Action For a £2 Bet

LONDON, July 17 (AP) — Three country boys looking for some holiday action in London touched off a security alert at Buckingham Palace early today and spent four hours in a police station explaining themselves.

A police patrol spotted two of the Yorkshire youths lurking behind the palace's 12-foot garden wall and questioned them. The third boy had climbed the wall on a £2 (\$3.70) bet, and security guards with tracker dogs nabbed him.

"It seems they were all down to the city on holiday and didn't even know they were at Buckingham Palace," a police spokesman said. "It's their first time in London. When the youngest boy was in the palace grounds heard all the police activity, he was afraid to come out."

The police released the boys at dawn. "They said they think they'll go the seaside next summer and stick to chasing girls," the spokesman said.

Specialist Service Is 10 Years Old

South African Doctors Aid Black States

By John F. Burns

MBABANE, Swaziland (NYT) — For the wizened old black man, it was the moment of truth — the moment when he would learn whether, after two cataract operations, he would be able to see again or whether he would go through life hardly able to count his fingers in front of his face.

As he peered through the lenses set into the optical equipment before him, a grin spread across his face. "Ngnyabona!" he said in the Swazi language, indicating that he could see the nurse standing 20 paces away. The grin became a laugh, and Jim Mabuza, 68, raised a hand to his face to wipe his merriment.

For Oscar Glasser, an optometrist from Johannesburg, it was a familiar moment. Mr. Glasser, 36, is member of "Harry's angels," a group of South African medical specialists and paramedics who fly regularly to Swaziland and occasionally to other black-ruled states in the region. They treat patients, such as Mr. Mabuza, whose ailments would otherwise go untreated or be tended by medical personnel without specialist qualifications.

Few Doctors

Swaziland, a small, chronically poor kingdom, has fewer than 60 doctors for its population of 500,000, and only one of them is a specialist. Like most African states, it has a high rate of infant mortality, close to 40 percent, and an appalling incidence of other diseases, from tuberculosis to malnutrition.

The service originated 10 years ago, when its founder, a Johannesburg radiologist, Dr. George Cohen, was on a private visit to Swaziland. Shocked by the lack of specialist medical care, he arranged with Swazi authorities to recruit volunteers from Johannesburg's medical community who would travel the 250 miles to Mbabane by road on weekends.

After a year, the driving began to exhaust the volunteers, who were also running into problems with the lack of equipment in the government hospitals at Mbabane and Hlatikulu, 80 miles away. Dr. Cohen approached Mr. Oppenheimer, a liberal on racial issues, who lent his company's aircraft and financed the purchase of essential equipment for the Swazi hospitals.

More than 250 specialists have participated in the project. They have logged more than 5,500 operations and treated about 40,000 non-surgical cases. The service has cost the patients nothing, other than the 35-cent admission fee paid by all Swazis at government hospitals and the 30 cents a day inpatient pay for ward care. In return for their services, the Swazi government pays the South Africans for their bed and breakfast at a hotel outside Mbabane.

If there is any inducement for the doctors, beyond altruistic considerations, it lies in the resort complex of which the hotel is part. The complex, centered on a casino, draws thousands every weekend from South Africa, where gambling is illegal. There is also the attraction of a multiracial society where whites and blacks mix in a way that is still taboo at home.

9 Killed in S. Korea
SEOUL, July 17 (AP) — Nine persons were killed and about 40 injured when a bus burst into flames near Pusan, 220 miles south of here, police reported yesterday.

Mr. Lukyanenko was arrested Dec. 12. He served 15 years in a labor camp after a death sentence against him was commuted in 1961. In the current case he faces a maximum sentence of 10 years hard labor and five years internal exile.

One of the largest single causes of false scintigraphy, it was agreed, is

Arthur and Donna Hartman Add Democratic Touch

U.S. Ambassador's Paris Popularity Is Ballooning

By Jane M. Friedman

PARIS, July 17 (HTT) — On July 4, a huge hot-air balloon of many colors filled the lush green garden of the American Embassy residence on Rue du Faubourg St. Honoré. To the delight of about 2,000 guests at the ambassador's annual 4th of July reception, the balloon, holding two men in a straw basket, actually got off the ground and bobbed in the air for a few moments.

The balloon was perhaps symbolic of the buoyancy and excitement around the U.S. Embassy since the arrival of Ambassador Arthur Hartman and his wife, Donna, a year ago. Mr. Hartman, the first career diplomat in Paris since Charles (Chip) Bohlen arrived in 1962, has made a hit with the French. His democratic style of living and of receiving has won the hearts of the American community.

"Mr. Hartman is better than many of his predecessors," a French diplomat said. A spokesman for the French Foreign Ministry implied that Mr. Hartman is the best U.S. ambassador in Paris in many years. "The Americans customarily appoint a big businessman," the spokesman said. "This has been a crucial change." While relations in general between Paris and Washington are closer than in past years, the spokesman added that men like Mr. Hartman improve already good relations.

Arthur Hartman could have been expected to impress the French. He was born in New York City 52 years ago and attended Harvard University. After graduation, he began his diplomatic career, serving as economic officer on the Marshall Plan here in Paris. Subsequent overseas assignments included two years in Vietnam, four years in London as chief of the embassy's economic section and three years in Brussels as deputy chief of mission in the U.S. mission to the European Economic Community. In 1975, then Secretary of State Henry Kissinger brought Mr. Hartman back to Washington as assistant secretary of state for European affairs.

During the overseas assignments, Mr. Hartman met and made friends with young French officials who today fill the highest ranks of the French government. Among friends from earlier days are Prime Minister Raymond Barre and high-level officials of the Quai d'Orsay.

Mr. Hartman's ties with the French government are close. The first U.S. ambassador to speak fluent French since Mr. Bohlen, Mr. Hartman has a friendly relationship with President Valéry Giscard d'Estaing, who recently invited him to a family lunch at Rambouillet castle.

"Mr. Hartman's accessible, he's been in France before, speaks their language and they know what he thinks," said Pierre Salinger, presidential spokesman under President John F. Kennedy and a friend of the Hartmans. "It's old home week for the French."

On the social side, Mr. and Mrs. Hartman have opened up the embassy residence to a wider section of both American and French society, entertaining in an informal manner unprecedented in the residence. For the first time, they have turned over the ambassador's residence to U.S. institutions in Paris for major events, leading them welcome support.

Mr. Hartman's success may be exaggerated by the comparison with his predecessors, many of whom were considered lackluster by the French.

Perch Now Canadian

Geneva Lake Delicacies Disappear From Menus

By Andrew Warshaw

GENEVA, July 17 (AP) — Switzerland's lakes have run out of gourmet fish and lakeside restaurants are instead serving imported substitutes from as far away as Canada to replace the national delicacies.

But even more distressing to the restaurant owner is that nobody — from the local fishermen to the top Swiss environmentalists — has the answer to why supplies of the fish have recently plummeted to an all-time low.

"Some say it's the pollution, others the cold weather. I've also been told the fish are just not reproducing this year," said Hans Albers, proprietor of one of Geneva's leading lakeside restaurants. "Whatever the reason, at least 80 percent of the restaurants around here can't get them."

In the past, Mr. Albers said, customers have eaten between 60 to 80 kilos of perch a day. Now, he can only get a maximum of 2 kilos per day.

To offset the lack of local stocks, Mr. Albers is importing the nearest equivalents he can find from abroad — mainly from Canada, where he says the perch are excellent. "Obviously, they are not as good as here. But we are coping."

From Ireland

Another Geneva restaurant owner believes local species will pick up again in the autumn after a spate of expected good weather. Until then, his stocks are being imported from Ireland.

Many environmentalists believe pollution is the reason why stocks of gourmet fish have almost hit rock bottom, while lesser-known species continue to multiply. "Fish which are not good for eating usually suffer much less from



Arthur Hartman and his wife, Donna.

Sargent Shriver, President Kennedy's brother-in-law, did have panache but his stay in France, from 1968 to 1970, was marked by tensions in Franco-American relations. Socially, Mr. Shriver gave traditional dinners and charity parties.

Arthur Watson, the late brother of IBM's Tom Watson, succeeded Mr. Shriver. Mr. Watson did not speak French and maintained a low profile. John Erwin 2d, who succeeded Mr. Watson, was an astute political analyst, according to those who knew him. Mr. Erwin hosted traditional dinners. He was not married and apparently preferred small working lunches for men.

Kenneth Rush, Mr. Hartman's immediate predecessor, was widely criticized. Mr. Rush was a law professor of Richard Nixon, a close friend of the former president, and a White House adviser and member of the National Security Council until Mr. Nixon appointed him to be ambassador to West Germany in 1969. While in Paris, Mr. Rush was said to be more preoccupied by Watergate than by Franco-American relations. And Mrs. Rush apparently disliked the role of ambassador's wife and the entertaining it demanded.

The Hartmans appear to enjoy entertaining. In the year they have served here, they have given up to 100 parties, receptions and dinners. Parties for American government officials have been interspersed

with parties for intellectuals and artists, including Jasper Johns and the American Ballet Theater. One reception was a combined homage to jazz musician Memphis Slim and conductor Loren Mazzel.

Exhibit of Paintings

The most imaginative reception was given to show 20 paintings from American museums to a broad spectrum of the Franco-American community here. Acquired through the Art in Embassies program, paintings and their display was a pet project of Donna Hartman. She spent the summer before her arrival in France combing U.S. museums for the works she preferred. The objects, including a Calder stable and several pop art canvases, were shown in May at a reception resembling an gallery opening.

Most of the Hartmans' large receptions have an open-house feeling, with guests taking over the common rooms of the opulent residence.

"I'm not elitist," says Donna Hartman, 50, a tall, statuesque woman with short gray hair and a warm, if guarded, smile. "You can't throw a party like a duchess if you're me."

Donna Van Dyke Ford was born in New Jersey and attended Wheaton College in Massachusetts. In her junior year, a friend fixed her up with a Harvard student because they looked alike. The next year, Donna Ford dropped out of Wheaton to marry Arthur Hartman. After sailing to Europe aboard the Queen Mary, the couple settled in Paris. Mrs. Hartman rode her bike to the Sorbonne every day while she studied French.

The Hartman life style today — 30 years and five children later — is still as folksy but the pace is faster. In Paris, the Hartmans rise at 8, have breakfast together in the sitting room next to their bedroom. A typical evening would include several receptions and a dinner out or in a restaurant. The ambassador and his wife rarely dine at home in a restaurant. To their year here, they have visited virtually every part of France.

Drives Own Car

They do not like the protocol and haughty manner usually associated with ambassadors. Mr. Hartman drives his own car with private license plates. Mrs. Hartman goes swimming regularly in a club near the residence, has taken responsibility for the residence greenhouse and lawn and has moved the embassy wives dance class into the residence. She answers her secretary's phone when things get hectic. The residence — with two of the Hartman children, a parrot named Cy and a beagle named Abigail — has a lively, lived-in atmosphere. Although the Hartmans enjoy their success, Mrs. Hartman says

she takes the entertaining seriously. "We're doing what we believe in," she said in a pale blue and cream salon recently, overlooking the lush green garden in back. "We're trying hard to reach the people in this country. We want to acquaint ourselves with the power emblems, to know where the country is so we can make predictions. You only pass this way once and you might as well do a good job. Entertaining is not glamorous. But it's the nuts and bolts of this life."

Mr. Hartman says the nuts and bolts of his job is explaining U.S. policies to the French and "eliminating misunderstanding." "That's where the travel part comes in," he said in a short interview last week. "We believe in making contacts with a whole series of groups, artistic and academic too."

Ironically, the Hartmans' entertaining has stirred the only controversy. While the French appear to like the new informality, there have been complaints within the American Embassy that the Hartmans have absorbed the entire entertainment budget, including funds normally reserved for lower-level diplomats and regional consulates.

Until recently, the U.S. Embassy and consulates in France had an annual entertainment budget of \$50,000, about 20 percent of which went to the ambassador. In recent years, some ambassadors were independently wealthy. Apparently, Mr. Erwin and Mr. Watson did not use up their portions of the budget. Last year, the entertainment budget for France rose to \$80,000. But the Hartmans, who are not independently wealthy, have reportedly not only absorbed the ambassadorial allotment but have eaten into funds normally slated for other diplomats.

An embassy officer responsible for administering funds denied this report. And while Mr. Hartman acknowledged there have been some "problems," he insisted the problems are being solved and that American diplomats' "out-of-pocket" expenses will be reimbursed as always.

The balance sheet after one year in France is positive. Mr. Hartman, apparently President Carter's fifth choice for ambassador to Paris, seems to have installed a new era of U.S. diplomacy in France and imagination in American entertaining. His reputation has extended to the provinces. A butcher in Normandy recently exclaimed to a U.S. traveler, "For once you Americans have an ambassador. I heard him on the radio. He speaks French!"

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'71	200
'72	400
'73	500
'74	600
'75	700
'76	800
'77	700
'78	900

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Month	Stock	5 Yrs.	5 Yrs. High	Low	Qtr. Close	Prev. Close
4th	Loosecoin	2.8	15	35	1416	1416
12	Culliver	5	46	296	296	296
11th	ComerB	5	46	296	296	296
25th	ComR.L.	1.8	12	17	2314	2314
31	ComB	1.6	4.7	10	3414	3414
28	CompT	.94	3.7	8	2514	2514

(Continued on Page 8)

Brazil. The alternative.

● Steel Incorporated
Steel Incorporated
11 million
estimate for
tons per year
the p

● Domestic savings. In 1976, of 35.5 billion dollars the Gross Domestic Savings represented 25% of the GNP.

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● Shipbuilding.
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born in 1969. In 1976 it also held the position of sixth largest aircraft industry in the world.

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	1973 lots of 50 to 100 lbs	100 lbs
COCOA		
Jul	1,220	1.2
Sep	1,238	1.2
Dec	1,239	1.2
Mar	1,220	1.2
May	1,210	1.2
Jul	1,698	1.6
Sep	1,680	1.6
2,906 lots of 10 to 25 lbs		
COFFEE		
Jul	1,320	1.3
Sep	1,220	1.2
Nov	1,193	1.1
Jan	1,144	1.1

Paris (1)	
(Figures in Francs)	
	High
SUGAR	
Oct	807
Nov	N.T.
Dec	818
Mar	N.T.

Sep	1,400
Dec	1,426
Mar	1,417
May	N.T.
Jul	N.T.
46 lots	

London

105.35	105.50	105.70	Fokker	32.10	Merlo
			Heinkel	103.80	Nichols
			HV.A.	54.50	Pearl
1,720	1,685.5	1,686	Hogovens	33.00	Rand
1,735	1,703	1,703.5	K.L.M.	153.00	Reynolds
1,737	1,703	1,704	Nt Nedder	168.18	R.T.
1,720	1,694	1,695	Pak-hed	37.20	Ray
1,713	1,680	1,682	Philips	25.90	Shall
1,700	1,660	1,665	Robeco	173.20	Shen
			Rolfaco	133.50	Union
1,694	1,661	1,665	Royal Dutch	134.20	Tubor
			Unilever	122.20	Vicke
			Van Gramer	140.70	War I
1,480	1,441	1,445	Ver Mech	47.80	West
					West
1,526	1,586	1,587			West
1,178	1,218	1,230			Wool
1,158	1,176	1,180			Wool

GB-Inno-BM	2,385.00	Boston
Hoboken	2,395.00	ERB
Petrofina	3,775.80	ERCA
Pl. Gevoart	1,692.00	Fil
Soc. Generale	1,692.00	Fin
Univac	2,460.00	Fin
Int. Miniere	728.00	Gene
		(F)
		Italg
		Italis
		LaRi
		Monte
		Pire
		Sin

1,427	1,430	+11	Kriss	1070	Cim
1,425	1,426	+1	Luffhansa	10830	Cle B
-1,405	-1,405	+30	Mannesmann	12130	CPE
1,380	1,420	+20	Metallgesellschaft	23100	CGF
N.Q.	N.Q.	-5	Neckermann	14928	CCF
			RWE.new	18200	Fero
			Schering	26980	Imet
			Siemens	28400	L. Or
			Thyssen	11530	Mach
			Varia	17300	Mach
			Veba	12758	Mach
			Volkswagen	22850	Mach

71.50	Borchardt Bk	2.33	Rt Poulsen	16.8
73.50	Beecham G	6.66	Schofer	10.9
73.50	BICC	1.20	Sr Gobson	2.70
71.50	Bow	2.06	Talbot	2.70
73.50	Bower	1.88	Tatemecon	2.70
4530.00	Brit-Am-Tot	3.10	Thomason	22.0
4560.00	Bril-Oxys	0.725	Usinor	-
316.50	Bril Pet	8.04		
324.75	CadburySc	0.55		
318.00	Chartered	1.42		
324.50	Charroutils	1.24		
279.90	D&B&D Co	2.87		
264.70	Danco Pac	1.87		
	Distillers	3.57		
	Dunlop	6.90		
	E Mus Ind	1.43		
			Zurich	
			Aulusuisse	2.30
			Buehrle	1.50
			B Soveri	1.25
			Cib Gelcy	1.93
			Fis Suissc	4.63
			Fisher	2.70
			Hof RCHN	1.50

Gold Fields	5.75	Sulzer	2.80
Gold Fields	1.70	U.S. Sulase	2.10

Tokyo Exchange

July 17, 1978

	Price Yen		Price Yen
Asahi Glass	326	Mitsui E. Wks	
Canon	466	Mitsubishi Hvy Ind.	
Daif Nip, Prim	589	Mitsubishi Corp.	
Fuji Bank	278	Mitsui Co.	
Fuji Photo	541	Mitsubishi	
Huohchi			

kets	2,826	Dumfries Bank
Kenji A. L.	1,250	Telano Marine
Kensel R. L. Per.	220	Tokaido
Kao Soap	480	Tellin
Kirin Brewery	345	Tokyo Marine
Komatsu	281	Tony
Kubota	733	Toyota
Matsu Ind.		

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— 1.50

— 0.17

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1st Boston, CSWW Eye Cross Links

U.S. Concern to Buy Stake Sold by Merrill

By Carl Gewirtz

PARIS, July 17 (IHT) — First Boston, one of the leading U.S. securities houses, is negotiating to buy a one-third interest in Credit Suisse White Weld, the London-based merchant bank, which ranks among the top five managers in the Eurobond market. The talks were disclosed today by CSWW in London and Credit Suisse in Zurich.

First Boston's purchase would restore CSWW's direct link with the U.S. capital market that was lost when White Weld was taken over by Merrill Lynch, Pierce, Fenner & Smith earlier this year. At that time, Credit Suisse exercised an option to buy the former White Weld stake rather than allow Merrill Lynch into the London operation, raising its stake in CSWW to 76 percent.

Under the proposed deal, the Swiss bank would sell to First Boston the 31 percent share of CSWW formerly held by White Weld at roughly the same price it paid, an estimated \$26 million, it was learned. The holding would be in the Swiss holding company SA Financiere du Credit Suisse et de White Weld. CSWW's parent company, Clariden Bank and Valeurs White Weld of Switzerland and Banque Francaise de Depots et de Titres. The Swiss National Bank would have to approve the transaction as its exchange controls currently prohibit the sale of Swiss franc assets to foreigners.

In turn, SA Financiere would buy into First Boston Inc., establishing the cross-holding structure that existed with White Weld. In this case, First Boston would pay for the acquisition by issuing new shares to be purchased by SA Financiere, giving it roughly a 31-percent stake in the U.S. concern's parent company, capitalized at \$85 million.

SA Financiere, whose capital totals some \$95 million, reportedly has substantial cash holdings to pay for the transaction, including the estimated \$17 million it earned on the sale of its 30-percent stake of its stake in White Weld.

Market sources speculate that First Boston's international operations based in London would be dissolved into CSWW. Minos Zombanakis, who headed First Boston International since its inception in 1973, quit last month to set up INA Corp., a new international investment banking operation. INA International Holdings Ltd. First Boston officials in London and New York were unavailable for comment.

Economic News Analysis

Capital Gains Tax Cut Favored

By Clyde H. Farnsworth

WASHINGTON, July 17 (NYT) — Although a cut in the capital gains tax is seen chiefly as helping the well-off minority, and even after the threat of a presidential veto, there is apparently no stopping the momentum in Congress for a substantial reduction.

Sixty-one Senators and a majority of the House Ways and Means Committee favor slashing the present capital gains tax, according to Congressional pulsetakers. The Ways and Means Committee's chairman, Al Ullman, D-Ore., has kept the issue from coming in a vote for the last 2½ months, blocking action for broader tax reduction for individuals and corporations, to try to give the Carter administration a chance in avoid what could be a humiliating defeat.

But time is up, and now Mr. Ullman is pushing the tax-writing committee into action again, conceding raising its stake in CSWW to 76 percent.

Japan Studying Debt Relief for Poorest Nations

TOKYO, July 17 (AP-DJ) — Japan is studying ways of easing the debt burden of some of the world's poorest countries, but it still has not decided to cancel their debt outright, the Foreign Ministry said.

According to a ministry spokesman, the only measure that the Japanese government has agreed on so far is providing additional loans on an unsecured basis and at the "softest possible terms" to the most deserving countries.

Japan is being urged to follow the example of some Western countries and write off its credits, currently totaling \$383 million, that have been extended to 11 "least developed countries," or LDCs, as the United Nations describes them. But the Finance Ministry objects to such a step and prefers more conservative measures such as offering new commodity loans and some degree of debt rescheduling.

The spokesman identified the 11 as Bangladesh, Laos, Nepal, Sudan, North Yemen, Ethiopia, Tanzania, Uganda, Luanda, Afghanistan and Malawi. By UN standards, they are in the LLDC category because annual per capita incomes are below \$120.

Spain Reserves Advance

MADRID, July 17 (AP-DJ) — Spain's monetary reserves rose \$652 million in June from May to \$7,945 billion and rose \$1.812 billion during the first half, the Bank of Spain said today.

ing down himself in favor of a somewhat moderate version of the cut. And President Carter's emissaries are talking compromise.

Interviews with public opinion specialists, sociologists, legislators and other experts suggest these general explanations for the paradox:

• The popularity of tax cuts of any type, as evidenced by the decision of California voters to reduce property taxes. In the public mind, rising taxes are associated with inflation, "big Government" and bad times. Moreover, reduced capital gains taxes, regardless of who benefits most, are seen as a means of achieving the American dream. Related to this is the strong feeling that, in a nation of gamblers, he who risks his money ought to be able to reap the reward.

• The strength of the business lobby, which, a labor economist says, "pushes buttons" in flood legislators with telegrams.

• "That's the kind of battle we can win," one White House aide confided a few days before President Carter's news conference June 27 where he attacked the capital gains tax cuts as providing "huge tax windfalls for millionaires and two bits for the average American."

U.S. Inventories Up 0.8% in May

WASHINGTON, July 17 (AP-DJ) — U.S. business inventories rose \$2.77 billion, or 0.8 percent, seasonally adjusted in May from the previous month, the Commerce Department reported today.

May's rise to \$353.32 billion follows a \$4.7-billion, or 1.4-percent rise in April.

The department said retailers' inventories rose \$1.1 billion, or 1.2 percent, to an adjusted \$91.06 billion after rising \$866 million, or 1 percent, in April. Manufacturers' inventories rose \$1.77 billion, or 0.9 percent, to an adjusted \$187.49 billion after rising \$1.86 billion, or 1 percent in April.

Wholesale inventories declined \$97 million, or 0.1 percent, to an adjusted \$74.77 billion, compared with a rise of \$1.99 billion, or 2.7 percent in April. On an unadjusted basis, overall business inventories rose \$1.33 billion, or 0.4 percent, to \$353.77 billion, up \$31.07 billion, or 9.6 percent from a year earlier.

Overall business sales increased \$414 million, or 0.2 percent, to an adjusted \$251.4 billion, following a gain in April of \$8.14 billion, or 3.4 percent.

percent of U.S. taxpayers who make more than \$100,000 a year. No one really challenges the figures. The president cited Treasury figures showing that 80 percent of the benefits would go to one-half of 1 percent of U.S. taxpayers who make more than \$100,000 a year. No one really challenges the figures. But they beg the point that castigating the malefactors of great wealth has suddenly become state politics.

Seymour Martin Lipset, an economist at Stanford University, analyzes it as part of the post-Vietnam, post-Watergate distrust of Government. "When you have the unpopular leader of an unpopular institution attacking the fat cats, it becomes a case of the pot calling the kettle black," Professor Lipset comments.

Jay Schmiedeskamp of the Gallup Organization's economic service sees as part of the explanation an increasingly sympathetic public attitude toward business. "The business lobby has successfully cashed in on the public resentments against high taxes, inflation and the fact that the country isn't moving forward as it should," he observes.

'Captives' Move Into Insurance Markets

By Lisa Bergson

NEW YORK, July 17 (NYT) — The insurance industry calls them captives — companies set up by major U.S. corporations to insure their own special risks. Basking in tax-free Bermuda, they seem an unlikely group to cause a stir in the international insurance market.

But in the last year, they have begun to do some capturing of their own — selling insurance to outside companies and entering the sophisticated field of reinsurance, seeking Lloyd's of London-style high-risk business.

Bermuda, of course, has seen plenty of insurance action for several years. With its tax advantages, major corporations have found it a convenient place to establish the captives, which are usually run by independent insurance management firms. In just four years the captive insurer population on the island has swelled to more than 700 from 333, writing some \$2.5 billion in premiums — spurred over the past year by a ruling by the Internal Revenue Service.

Last year, the IRS questioned their status as independent insurance companies and the right of their parent corporations to claim certain deductions as business expenses, including the premiums paid to the captives. Instead of closing the Bermuda concerns, many corporations decided to transform them into bona fide insurers.

They now actively compete in the business not just for the tax advantages, but for the profits — even though confronted by a host of obstacles, including an uncertain U.S. regulatory climate, their own lack of underwriting experience, dependence on their parent corporation for capital and the shaky political outlook for Bermuda.

The reinsurance sector, particularly, seems a fertile field. The captives can provide fresh capital in the inflation-strapped general insurance industry and take advantage of growing markets in high-risk areas — including oil spills, nuclear accidents, medical malpractice and executive kidnapping and ransom coverage.

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'SKY SLEEPER SERVICE' — Japan Air Lines unveils hotel-style bed in the upper first-class lounge of a Boeing 747. Five 'flying beds,' separated by curtains, will be installed in 747s on trans-Pacific routes beginning Aug. 1 and on polar flights to Europe starting Oct. 1.

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clear accidents, medical malpractice and executive kidnapping and ransom coverage. New York State's Assembly, for instance, has approved the establishment of a reinsurance exchange modeled on Lloyd's of London and the easing of regulations on large and unusual insurance transactions that may attract funds from the offshore concerns.

The captives also offer a convenient way for a company to combat high insurance rates, gain cash flow, move money internationally and cover hard-to-place risks. The roster of multinational businesses involved includes such companies as Gulf Oil, Ford Motor, U.S. Industries, Exxon and Hanna Mining.

Faced with liability for oil spills, for example, 34 oil companies formed Oil Insurance Ltd. Seeking a way to provide property-damage insurance for their nuclear power plants, several utilities joined forces in Nuclear Mutual Ltd. Hanna Mining founded its captive, Erieview, to write kidnapping and ransom insurance for key executives.

Quite a few big-league insurers started out as captives and, today, remain highly profitable subsidiaries of their parent companies, including: Sears, Roebuck's Allstate, Arco Steel's Bellefonte and Kraftco's Ideal Mutual. In Arco's case, the decision to turn Bellefonte into a profit center has paid off. Bellefonte's income quintupled last year, and this has helped in offset Arco's steel-industry losses, according to insurance analysts at Merrill Lynch.

'Cold War' Heats Up On Fed Interest Plan

WASHINGTON, July 17 (AP-DJ) — The "cold war" between Federal Reserve Board chairman William Miller and Congress heated up as several House Banking Committee members endorsed a plan to strip the Fed of two tools for shaping monetary policy.

The plan is part of a bill to prop sagging Fed membership by allowing the central bank to pay interest on reserves it requires its member banks to hold. The scheme would take away the Fed's ability to set both the discount rate, the fee it charges member banks for loans, and the amount of reserves the banks are required to hold.

Some committee members endorsed a bill that would permit the bank to pay only \$450 million annually in interest and strip it of the two policy tools.

year, and this has helped in offset Arco's steel-industry losses, according to insurance analysts at Merrill Lynch.

Through their parents, many captives have potential capital surpassing that of most commercial insurers. Exxon's captive, Ancon Insurance, had a 1977 net income of \$54 million and is valued at \$237 million.

Sidney Pine, an attorney for more than half the captives in Bermuda, says that simply by eliminating brokers' fees, commissions, marketing and advertising costs and administrative overhead, captives cut the costs of premiums, "by about 35 percent." And as Richard Shagin, an official of Chase Manhattan Bank's insurance department points out, the captives help a company's cash flow. The premiums paid to the captives amount to "taking money out of the right pocket and putting it in the left," he says.

The corporation is free, then, to reinvest its premiums internationally and reap further gains. By expanding their captives' activities, parent companies may increase profits, dilute the impact of major risks and diversify their holdings.

To Our Readers:

Due to transmission difficulties, closing prices on the NYSE, the American Exchange, and Toronto and Montreal stock exchanges, were unavailable for publication in this edition. The IHT regrets any inconvenience this may cause.

Company Reports

Revenue, profits, in millions of dollars

Bank of America					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Oper. Net	118.30	93.10	Revenue	55.36	50.16
Per Share	0.81	0.64	Profits	1.39	1.26
Net Income	118.30	93.10	Per Share	1.39	1.26
Per Share	0.81	0.64	4 months	1978	1977
4 months	1978	1977	Revenue	-	-
Oper. Net	220.80	175.90	Profits	114.96	99.70
Per Share	1.51	1.21	Per Share	2.85	2.50
Net Income	220.80	176.10			
Per Share	1.51	1.21			
Boise Cascade					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	694.20	591.40	Oper. Net	45.38	37.97
Profits	40.04	32.59	Per Share	1.40	1.27
Per Share	1.48	1.10	Net Income	45.42	37.87
4 months	1978	1977	Per Share	1.40	1.27
Revenue	1,280	1,110	4 months	1978	1977
Profits	69.98	56.68	Oper. Net	88.63	78.51
Per Share	2.59	1.92	Per Share	2.74	2.64
			Net Income	88.88	78.63
			Per Share	2.74	2.64
Consolidated Oil & Gas					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	7.66	5.21	Revenue	297.50	264.90
Profits	1.15	0.83	Profits	18.98	15.57
Per Share	0.24	0.18	Per Share	1.16	0.95
4 months	1978	1977	4 months	1978	1977
Revenue	13.30	10.40	Revenue	583.00	519.40
Profits	2.29	1.96	Profits	35.80	30.20
Per Share	0.48	0.42	Per Share	2.18	1.85
Control Data					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	449.10	369.80	Revenue	579.50	477.40
Profits	25.48	17.10	Profits	17.58	15.68
Per Share	1.48	0.99	Per Share	1.36	1.22
4 months	1978	1977	4 months	1978	1977
Revenue	849.50	708.00	Revenue	1,040	895.60
Profits	41.16	30.09	Profits	28.44	27.75
Per Share	2.38	1.74	Per Share	2.20	2.15
Gould					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	471.90	405.90	Revenue	7.38	6.54
Profits	28.97	24.18	Profits	1.26	1.12
Per Share	1.10	0.96	Per Share	7.33	6.50
4 months	1978	1977	4 months	1978	1977
Revenue	912.00	783.30	Revenue	1,040	895.60
Profits	53.80	44.94	Profits	28.44	27.75
Per Share	2.04	1.79	Per Share	2.20	2.15
McGraw Edison					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	297.50	264.90	Revenue	7.38	6.54
Profits	18.98	15.57	Profits	1.26	1.12
Per Share	1.16	0.95	Per Share	7.33	6.50
4 months	1978	1977	4 months	1978	1977
Revenue	583.00	519.40	Revenue	1,040	895.60
Profits	35.80	30.20	Profits	28.44	27.75
Per Share	2.18	1.85	Per Share	2.20	2.15
North American Phillips					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	579.50	477.40	Revenue	7.38	6.54
Profits	17.58	15.68	Profits	1.26	1.12
Per Share	1.36	1.22	Per Share	7.33	6.50
4 months	1978	1977	4 months	1978	1977
Revenue	1,040	895.60	Revenue	1,040	895.60
Profits	28.44	27.75	Profits	28.44	27.75
Per Share	2.20	2.15	Per Share	2.20	2.15
Philadelphia National					
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	7.38	6.54	Revenue	1,040	895.60
Per Share	1.26	1.12	Profits	28.44	27.75
Net Income	7.33	6.50	Per Share	2.20	2.15

(Continued from Page 11, Col. 4)

Approximately 97% of the Common Stock of

Verex Corporation

has been acquired by a wholly-owned subsidiary of

The Greyhound Corporation

The undersigned acted as financial advisor to Verex Corporation in connection with this transaction.

E. F. Hutton & Company Inc.

HARRY WINSTON
RARE JEWELS OF THE WORLD

EXCEPTIONAL EXHIBITION

July 16 to July 21
from 12 noon to 4 p.m.

HOTEL
DU CAP D'ANTIBES
EDEN ROC

Esso S.A.F.

1977 Financial Year

- INCREASE OF REFINING ACTIVITY
- RESUMPTION OF INVESTMENTS
- INCREASE OF DIVIDEND

The Annual General Meeting of ESSO S.A.F. shareholders, under the chairmanship of M. H. LAMATON, was held on June 22, 1978.

MARINE TRANSPORTATION

The Esso S.A.F. tanker fleet now includes eight very large crude carriers representing a global transportation capacity of two million tons. The acquisition—in 1977—of a 253,000-tonnage ship, "Esso Flandre."

REFINING

The Esso refineries crude run amounted to 16.3 million tons equal to 1973 figures (compared with 15.6 million in 1976). The average utilization rate of the refining capacity has been regularly improved since 1975.

SALES

The sales of Esso products, including the basic products for the Chemical Industry, represented a total of 16.6 million tons. The Esso S.A.F. sales in white and heavy products are henceforth in complete balance.

INVESTMENTS

Resumption of investments after the slowdown in the aftermath of the crisis of 1973. This effort will have to be increased for next several years: the major part will be devoted to the adaptation of refining installations.

EARNINGS SUMMARY

	million francs
• Commercial turnover (excluding taxes)...	10,970
• Other revenue, including compensated transactions and financial products (excluding Esso REP dividend)...	5,192
Total revenue before taxes (excluding Esso REP dividend)...	16,162
• Purchases of the financial year...	8,775
• Other charges including compensated transactions...	7,168
• Depreciation reserve...	266
Total operating charges...	—16,209
• Increase of value in inventories...	162
• Reserve for variation in the cost of raw materials...	— 207
Result before Esso REP dividend & miscellaneous profit and losses...	— 8
• Miscellaneous profit and losses...	— 7
• Company income tax...	— 1
Net profit for Esso S.A.F.'s own activities...	0
• Dividend received from Esso REP...	58
Net profit...	58

In his address, M. H. Lamaton stressed that ESSO S.A.F. is preparing to invest 300 to 400 million francs a year for projects necessary to the continuation of its activities, taking into account divisions from the Government in the fields of Energy and Environment, providing that normal conditions of self-financing are re-established.

M. Lamaton also emphasized that it was indispensable that ESSO S.A.F. be treated in a reasonable way within the context of the crude-oil industry, and this in the interest of the country and of its economic as well as social development.

The General Meeting voted the distribution of a total dividend of 58.4 million francs. The net dividend per share is 4.90 Fr., of an overall revenue of Fr. 7.35, taking the fiscal credit into account. This dividend is payable since July 5, 1978, against remittance of coupon N° 14.

The Board of Directors of ESSO S.A.F., in a meeting held after the General Meeting, confirmed M. H. LAMATON as President-General Manager and M. M. KUPFF as General Manager.

(Continued on Page 10)

Month Stock							Chgs Prev							12 Month							Chgs Prev						
High	Low	Div.	In %	P/E	100%	Close	High	Low	Div.	In %	P/E	100%	Close	High	Low	Div.	In %	P/E	100%	Close	High	Low	Div.	In %	P/E	100%	Close

Company Reports

(Continued from Page 7)

Signal	1978	1977	Weyerhaeuser	1978	1977	Winn's Stores	1978	1977
2nd Qtr	939.14	760.30	Revenue.....	985.30	842.50	Revenue.....	16.30	15.80
4 months	45.16	28.82	Profits.....	115.41	91.43	Profits.....	722.76	781.23
Per Share.....	2.35	1.45	Per Share.....	0.90	0.69	Per Share.....	0.57	0.62
Revenue.....	1,790	1,480	Revenue.....	1,790	1,580	Revenue.....	31.50	28.70
Profits.....	76.06	46.04	Profits.....	184.76	161.06	Profits.....	1.49	1.32
Per Share.....	3.95	2.31	Per Share.....	1.41	1.22	Per Share.....	1.18	1.04

Japan Urged to Cut Shipbuilding Output

TOKYO, July 17 (AP-DJ) — Japan's shipbuilding industry, which once held half of the world's shipbuilding market, should reduce capacity by 25 percent to cope with the protracted slump, the Council for Rationalization of Shipping and Shipbuilding Industries said.

After a two-month study by the council, an advisory body to the Transport Minister Kenji Fukunaga, recommended the industry promote mergers and the interlocking of companies.

It blamed the industry's plight on increased competition from East Europe and developing nations, on the yen's sharp appreciation and on reduced demand.

Italian Tool Orders Down 7% in Quarter

ROME, July 17 (AP-DJ) — New orders for Italian machine tools fell a real 7 percent in the second quarter from the first and 3 percent from the fourth quarter of 1977, the Machine Tool Producers Association reported today.

Foreign orders fell 29 percent in the second quarter from the previous quarter but were up 1 percent from a year earlier while domestic orders rose 16 percent in constant line from the first quarter but dropped 15 percent from a year earlier.

The Philippine Investment Company S.A.

Net Asset Value as of June 30, 1978 U.S. \$ 10.65

Listed Luxembourg Stock Exchange

Agent: Banque Generale de Luxembourg

Investment Bankers: Manila Pacific Securities S.A.

21. Sometimes letters just don't do it.

(An international call means business.)

Long Distance is the next best thing to being there.

NYK's Full-Spectrum Container System Means Better Service.

NYK, Japan's largest and most versatile shipping company, integrates every detail connected with your shipment. Here is how:

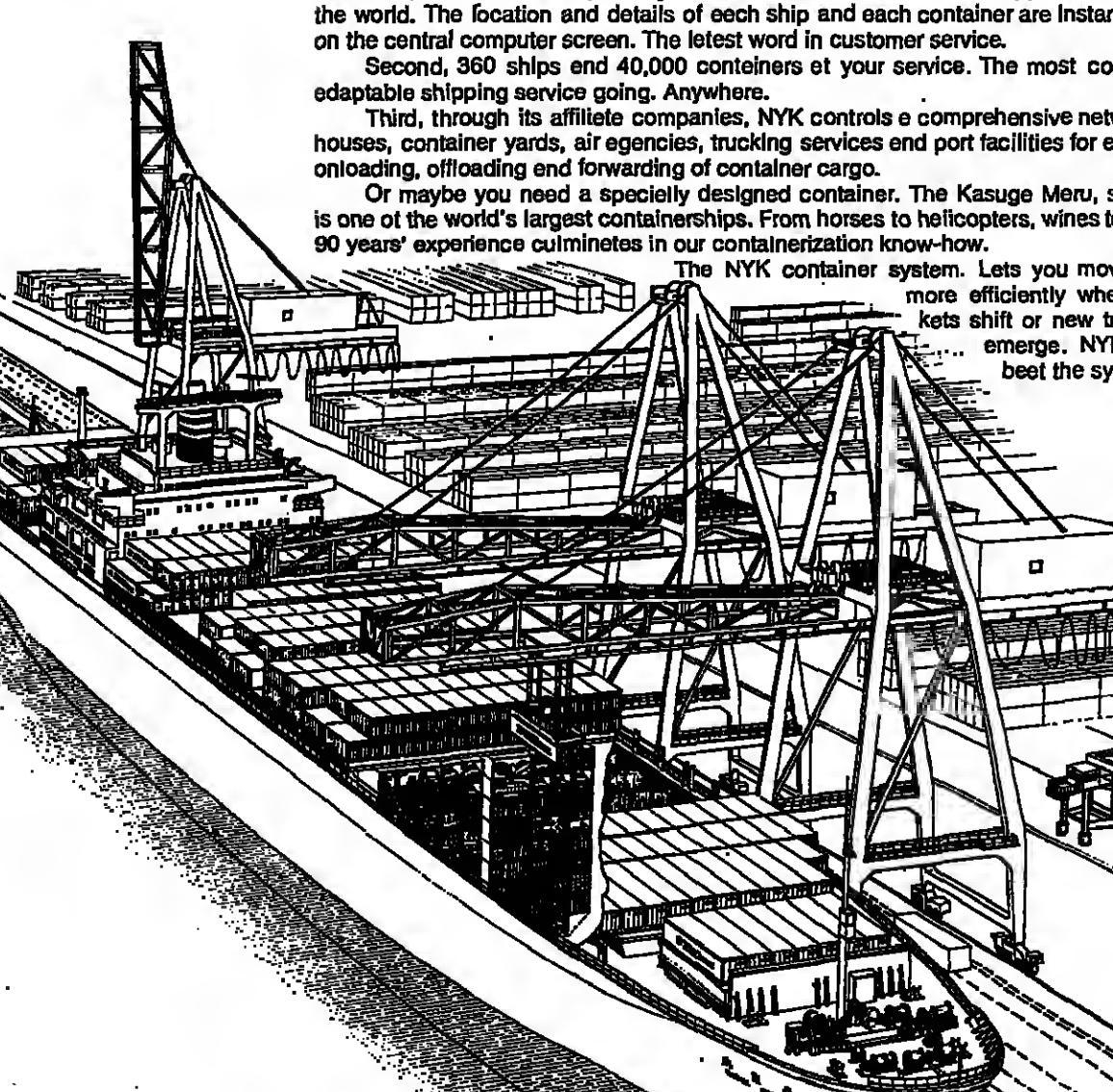
First, our on-line computer system. We can now coordinate shipping activities all over the world. The location and details of each ship and each container are instantly displayed on the central computer screen. The latest word in customer service.

Second, 360 ships and 40,000 containers at your service. The most complete, most adaptable shipping service going. Anywhere.

Third, through its affiliate companies, NYK controls a comprehensive network of warehouses, container yards, air agencies, trucking services and port facilities for expediting the onloading, offloading and forwarding of container cargo.

Or maybe you need a specially designed container. The Kasuge Maru, shown below, is one of the world's largest container ships. From horses to helicopters, wines to wire, NYK's 90 years' experience culminates in our containerization know-how.

The NYK container system. Lets you move faster and more efficiently when your markets shift or new trade patterns emerge. NYK. You can't beat the system.



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Iraq Plans to Lift Production of Oil

e 7) | **Weverhauser** |

	1978	1977
re.....	16.30	15.80
re.....	722.76	781.23
re.....	0.57	0.62
re.....	31.50	28.70
re.....	1.49	1.32
re.....	1.18	1.04

Iran Tool Orders
Up 7% in Quarter

TEHRAN, July 17 (AP-DJ) — New oil and Italian machine tools fell 29 percent in the second quarter from the first and 3 percent in the fourth quarter of 1977, the Iranian Tool Producers Association reported today.

The tool orders fell 29 percent in the second quarter from the previous but were up 1 percent a year earlier while domestic orders rose 16 percent in constant prices from the first quarter but fell 15 percent from a year

BAGHDAD, July 17 (AP-DJ) — Iraq has embarked on a large-scale oil production program but is also considering a new policy designed to delay the depletion of the nation's oil reserves, oil ministers said.

Tayih Abdul-Karim said in an interview with the government-run Al-Thawra newspaper.

He said that the government was considering a "new production and marketing policy" designed to overcome the current glut in the world oil market. The new policy, he said, also will be aimed at averting an early depletion of Iraq's oil reserves, although he did not elaborate.

To Our Readers:

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21. Sometimes letters just don't do it.

(an international call means business.)

Long Distance is the next best thing to being there.

NYK, Japan's largest and most versatile shipping company, integrates every detail connected with your shipment. Here is how:

First, our on-line computer system. We can now coordinate shipping activities all over the world. The location and details of each ship and each container are instantly displayed on the central computer screen. The latest word in customer service.

Second, 360 ships and 40,000 containers at your service. The most complete, most adaptable shipping service going. Anywhere.

Third, through its affiliate companies, NYK controls a comprehensive network of warehouses, container yards, air agencies, trucking services and port facilities for expediting the on-loading, off-loading and forwarding of container cargo.

Or maybe you need a specially designed container. The Kasuge Meru, shown below, is one of the world's largest containerships. From horses to helicopters, wines to wire, NYK's

The NYK container system. Lets you move faster and more efficiently when your mar-

more efficiently when your markets shift or new trade patterns emerge. NYK. You can't



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Tour de France Drug Scandal

Ousted Racer Vague, Defiant

By Samuel Ahr

ALPE D'HUEZ, France, July 17 (UPI)—Near tears, Michel Pollentier told a confused story here today as he tried to explain and protest his disqualification as the overall leader of the Tour de France bicycle race.

Hours after his victory yesterday in the first demanding stage through the Alps, Pollentier, a 27-year-old Belgian racer for the Flandria team, was ruled out of the race on a charge of doping.

This afternoon, at a news conference on the balcony of his hotel room here as the racers passed for a day, Pollentier seemed uncertain exactly what his offense had been. As questions were put to him in several languages, he appeared to be confused, contrite and self-pitying.

Resentful, Defiant

Mostly he seemed to resent the fact that he had been caught with a "task" and tube attached to his arm to offer somebody else's urine specimen after the 150-mile race.

"They took my specimen," he said, "and there was no trouble with it. The doctor said it was acceptable. I signed and counter-signed for it." For a moment he looked defiant.

"The medication I took," he continued, "is to help me breathe. I used it before, it is out of my system."

[A Reuters dispatch today said that it had been reported that a second racer, Antonio Gutierrez, 25, had been accused of trying to fake the test by using a similar apparatus. Reminded by a questioner that he had been disqualified for fraud

and not for failing the dope test, he seemed puzzled again.

"But still," he said, "there is nothing wrong with my specimen." Had the apparatus not in fact been found under his jersey?

Admits Discovery

"Yes, yes, I think so, but they had taken it away before the test. The doctor said to me that I had passed the test. What I have used is a medication, something half the racers use." He looked off the third floor balcony for support, seeking something to the crowd gathered on the street and staring upward at him.

Never before has a leader of the Tour de France, the major race in bicycling, been disqualified. In this steamy Alpine resort on a day off from the race, that was enough to draw the curious.

Pollentier charged that officials of the tour had been prejudicial toward his team, a not infrequent feeling of Belgians about the French.

"Freddy Maertens was made to take the drug test when he finished third in a sprint," Pollentier said of his roommate, alluding to the rule that only the first two finishers are usually checked. "Maertens has been among the leaders in eight sprints and eight times he has been checked."

Nevertheless, Pollentier con-

firmed that the Flandria would not quit the race in protest over his disqualification. This rumor was affixed all morning.

It made little sense because Maertens is well ahead in the contest for the best climber and the team might have had to forfeit all its considerable winnings if it had withdrawn in sympathy.

Money is a big part of what the tour is all about, a point Pollentier made when he was asked what effect his disqualification would have on him.

"It will cost me plenty," he said, referring to his two-month suspension along with disqualification and a fine. "I will lose 30 appearances after the tour because of my suspension. I do not think this is fair, none of it."

7 to Return

Another storm that marked the arrival of the Tour de France here seemed to be blowing over. It was reliably reported that the tour officials would reinstate seven racers who were also disqualified yesterday, for being pushed by spectators over the 10-mile hill to Alpe d'Huez.

All seven were monitored receiving at least 10 pushes each, although it was acknowledged that none of the pushes had been solicited. Added to the Pollentier affair, the seven other disqualifications brought the remaining racers to a new state of anger.

Remembering the slowdown strike last week over starting times, the organizers were said to have decided not to arouse the racers again.

Transactions

BASEBALL
AMERICAN LEAGUE — Received John Cammer, pitcher, from Salt Lake City of the Pacific Coast League.

FOOTBALL
NATIONAL FOOTBALL LEAGUE — Signed Reuben Olson and Billy Calhoun, running backs, to free agent contracts.

GREEN BAY PACKERS — Signed Vince Lomax, kicker, to a free agent contract.

KANSAS CITY CHIEFS — Traded Keith Atoms, defensive lineman, to the New Orleans Saints for an undrafted free agent.

NEW YORK GIANTS — Signed Gordon Kling, offensive guard, to a free agent contract.

PHILADELPHIA EAGLES — Signed Jeff Blemer and Scott Bradley, offensive linemen, to free agent contracts.

CHICAGO BEARS — Signed Jeff Blemer, offensive guard, to a free agent contract.

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Cubs Split Doubleheader With Dodgers

CHICAGO, July 17 (UPI) —

Dusty Baker drove in two runs with a single and a homer yesterday to lead the Los Angeles Dodgers over the Chicago Cubs, 5-3, for a doubleheader split. Chicago took the opener, 3-2, on Dave Rader's three RBIs and the pitching of Mike Krukow and Bruce Sutler.

Burt Hooton scattered seven hits in 8½ innings in the nightcap to post his ninth victory. The Cubs loaded the bases with one out in the ninth but reliever Lance Raderman retired Larry Bittner on a sacrifice fly and Rodney Scott on a groundout.

In the opener, Rader doubled off loser Rick Rhoden in the second to score Manny Trillo and Ivan De Jesus and his sacrifice fly in the fourth scored DeJesus with the winning run.

Pirates 3-10, Padres 2-6

At Pittsburgh, Dave Parker, making his first start since he cracked his cheekbone June 30, tripled to start Pittsburgh to a 10-6 victory over San Diego and a sweep of its doubleheader. Pittsburgh won the first game, 3-2, in 10 innings when John Milner singled with the bases loaded off loser Rolfie Fin-

Expos 6, Astros 1

At Montreal, left-hander Dan Schatzeder pitched a seven-inning, drove in one run and scored another as Montreal defeated Houston, 6-1. Schatzeder, making his fourth start of the season, drove to the first Montreal run in the second inning with a two-out single after consecutive singles by Warren Cromartie and Gary Carter.

Reds 9, Mets 2

At Cincinnati, Pete Rose logged

more batting milestones while Dave Concepcion had four hits, including a two-run homer and a two-run double, and Tom Hume pitched a six-hitter to carry Cincinnati over New York, 9-2. Rose doubled off the center-field fence in the seventh inning to tie Cap Anson for 10th place on the all-time hit list with 3,081.

Cardinals 9-0, Giants 4-6

At St. Louis, Mike Sadek and Jack Clark belted two-run doubles to support the six-hit pitching of Ed Halicki and give San Francisco a 6-0 triumph over St. Louis for a split of their doubleheader. Jerry Mumphrey drove in three runs with a double and a single to spark St. Louis to a 9-4 triumph in the opener.

Phillies 4, Braves 2

At Atlanta, Dick Ruthven and Ron Reed combined on a seven-inning to pitch Philadelphia over Atlanta, 4-2. Ruthven (6-8) made his first appearance against the Braves since they traded him to the Phillies on June 15 and won his fourth of six decisions for Philadelphia. Reed came on in the eighth and guided his eighth save, although giving up a home run to Dale Murphy in the ninth before retiring the Braves.

Red Sox 5-3, Twins 3-2

At Boston, Fred Lynn had an RBI single in the first and a two-run homer to the sixth inning carrying Boston to a 3-2 victory over Minnesota and a sweep of their doubleheader. Bill Campbell preserved Dennis Eckersley's 11th victory, and Carl Yastrzemski's third single of the game delivered the

winning run of Boston's 5-3 first-game victory.

A's 8, Blue Jays 5

At Oakland, Joe Wallis hit a three-run homer in the eighth inning, giving Oakland an 8-5 victory over Toronto. Wallis connected off Joe Coleman, who relieved Mike Willis (1-5) with one out and a runner on second base. Coleman got Mike Edwards on a fly to left field, then walked Mike Adams before Wallis sent his fifth homer of the year over the right-field fence.

Brewers 10, White Sox 1

At Milwaukee, Rookie Paul Molitor had three hits, drove in three runs, stole two bases and scored twice to lead Milwaukee's 10-1 rout of Chicago. Ben Ogilvie added three hits and an RBI and Robin Yount drove in two runs for Milwaukee, who climbed 15 games over .500 for the first time in the franchise's 10-year history with their sixth victory in seven games.

Indians 8, Mariners 4

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Brewers

Art Buchwald

A U.S. Dissident

WASHINGTON—To the Editor of *Izvestia*, Moscow, U.S.S.R.:

I am writing to you because over the years you have used many of my articles in which I have attacked the president of the United States, the State Department, the FBI, the CIA and other agencies of my government.

I know they have been appreciated in the Soviet Union even if you haven't paid for them, because they point out the flaws of our system and give aid and comfort to your people.

But I wonder if it has ever occurred to you that I am an American dissident — an American Jewish dissident, if you will, which probably in your eyes makes me the worst kind.

While the Soviet press has been nice enough to give me so much space in your newspapers, I wonder whether your officials have ever questioned why I am still walking around a free man.

I'll try to explain it if I may. The United States is made up entirely of dissidents, and since there are so many of us it doesn't seem to make

any difference if there is one more or one less speaking out against what we think our government is doing wrong.

This does not mean that our officials don't get angry. Those in power in the White House are always screaming that they're getting a raw deal.

Our selected officials in Congress aren't too happy with dissidents either, and every government agency constantly claims that we don't get the facts right — which may or may not be true. But despite their distress, the criticism goes on, and the walls of our system still stand.

We go to great extremes to protect our dissidents in this country. We allow the Ku Klux Klan to burn crosses, and the Nazis to hold rallies in our parks. Lately we've even indicted FBI agents for allegedly using unlawful means to find out what our dissidents were up to.

Please don't get the idea that one dissident agrees with another — far from it. It's just that once you start going after dissidents that you disagree with, we believe the next step is that someone will start going after you. This country doesn't have enough courtrooms to handle all the people who are constantly writing and speaking out as to what our government is doing wrong.

You probably consider it a weakness, but we don't have any laws on the books (so far) that make it a crime to defame and slander the state. Both our major political parties are used to it, and if you want the truth, get a great deal of pleasure out of defaming and slandering not only the other party but also itself.

I don't wish to criticize your system but I would suggest that if you permitted your dissidents to speak freely as much as we permit ours, you wouldn't get so upset about them and have to put them on trial.

Free people can be a pain in the neck to any government but once you have enough of them speaking out, it's amazing how easy it is to get used to them.

As a first step, why not print this piece, if anyone in the Kremlin complains, just tell them it was written by a bona fide American dissident who, despite what he says about his government, can't get arrested to save his life.

The \$1,000 autograph read: "For Howard, James Dean." It was sold to a private collector.



Buchwald

James Dean Fetches 1,000

NEW YORK, July 17 (UPI) — A James Dean signature from an autograph book sold at auction last week for \$1,000 — more than twice the price fetched for a signature by Abraham Lincoln.

Charles Hamilton of Charles Hamilton Galleries, which auctioned the signature at the Waldorf-Astoria Hotel here, said it was the first he had ever seen with Dean, star of such films as "Rebel Without a Cause" and "East of Eden." The actor died in an auto wreck in 1955.

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Irving Stone and the Great Human Story

By Ursula Vils

BEVERLY HILLS, Calif. — After three years and rejection by 17 publishers, Irving Stone's first book, "Lust for Life," came out in 1934. As of two years ago — more recent figures are not available — the book had sold 24 million copies worldwide in 70 editions in translations from Assamese to Urdu.

That is not quite how Irving Stone had envisaged his career. Stone, who turned 75 Friday, sat in the library of his hilltop home here on a recent warm afternoon and talked of his work, his life and his philosophy. With him, sometimes editing his conversation as she always does, his manuscript, was his wife of 44 years, Jean.

They began, quite naturally, with "Lust for Life," the story of Vincent Van Gogh and the first of the biographical novels that are Stone's genre. The book came out of what Stone describes as "an emotional experience" upon viewing an exhibition of 60 Van Gogh paintings in Paris in the mid-1920s. Publishers were considerably less emotional about his manuscript.

"Alfred Knopf had it first; they never opened it — the package with the manuscript got home before I did," Stone said. "Doubleday had it second. Everybody — editors, art experts — approved it."

It went into a sales meeting, and they said, "No way. There is no way to sell a book about an unknown Dutch painter — and in 1931 Van Gogh was unknown — to the American public in the midst of a depression."

17 Titles in Print

Doubleday, Stone's publisher for the last 40 years, subsequently bought "Lust for Life" from the original publishing house — and keeps each of Stone's 17 hardback titles in print.

The author smiled faintly, then nodded behind him toward the library's "Stone Wall," a 7-foot-tall stack of shelves containing copies of his books in varying editions and languages. Such familiar titles as "Sailor on Horseback" (about Jack London), "Clarence Darrow for



Irving Stone

the Defense," "Immortal Wife," "The President's Lady," "Love Is Eternal," "Men to Match My Mountains," "The Agony and the Ecstasy," "Passions of the Mind" and "The Greek Treasure."

"Did I expect this? No," he said. "I hoped to write a book that would sell 5,000 copies, which would give me enough money to live very frugally and write another book that would sell 10,000 copies, which would give me enough to write a third book that would sell 20,000 copies, and so on."

Instead, I landed on top of my head. I wound up on the ceiling and I've spent the rest of my life clinging to the ceiling with my fingernails."

Hanging in there with him all those 44 productive years has been Jean Stone, who was "just out of high school" when she met her future husband and her first editing job: "Lust for Life."

She was working for a construction firm and planning to study journalism at the University of Wisconsin. Her observation of the construction company's engineers led her to a conclusion about men. "I decided that the closer I could get to a man's

work the better part of him I would get," Mrs. Stone said. "I didn't want to stay home and get the fractious, the shell."

"So when I had a chance — he thinks he pursued me, but you know that isn't so; he never had a chance — when I saw that there was a man with a manuscript that hadn't sold in three years, and he said, 'Would you read it? Perhaps you can put your finger on why they keep it and then return it,' I said, 'Well, it might be a little too long, as you suggest, or a little thick in places.'"

"He said, 'Cut it,' and when we sent it out and it sold, I knew I had become indispensable." "We got a \$250 advance to last us from January to Sept. 26," Stone said. "So we got married."

The Beginning

What Stone calls "a very thorough, very wonderful partnership" begins with a first draft that he wrote in longhand on a yellow legal tablet. Secretary types it; Stone rewrites. Usually the fourth draft goes to Mrs. Stone.

"She spends almost as much time editing it as I do writing," he said. "Every word, every phrase is scrutinized with the utmost care. When she finishes, we go over it together. I accept or reject — and I accept 90 percent of it. The only time she is not right, usually, is when I have planted something for the next chapter that she cannot know about."

The Stones admit to differences of opinion, which they agree to debate at some future time, down promptly forgot. The marriage has survived because, in Jean Stone's words, "right from day one the book was more important than either one of us."

She apparently harbors no desire for public recognition for her part in his firm. "The author," she said firmly, "is the man or woman who faces the blank page. I can make anything better, but I don't think I can pull anything out of the air."

They currently are working on a book about the coteries of English scientists in the 1830s, '40s and '50s whose findings revolutionized thinking on the creation of the world. Two more books

are in the planning stage, although Stone said he might substitute his autobiography "If Jean is willing to participate."

Stone was born in San Francisco. He went to the University of California at Berkeley and earned a master's degree at the University of Southern California. He taught at both universities, then went to Paris to write. He supported himself by writing mystery stories for pulp magazines. He recalls those days with amusement.

Prize for a Play

"When I was teaching [economics] at Berkeley, I won \$25 as prize for a play I had written," he said. "I thought I was a dramatist. In a year and a half in Paris, I wrote 17 full-length plays and 31 one-act plays. Nobody told me you can't do that."

The experience, however, taught him to write the dramatic scenes that fill his biographical novels, which he differentiates from historical fiction as being "98 percent truth and 2 percent fiction rather than 2 percent truth and 98 percent fiction."

"In professional life, I have found the greatest pleasure is a great human story. I read all I can and write my own to pay my debt and to enrich life."

"I believe that life is good to itself, that it is one of the two highest forms of human expression. Love and work or work and love: It seems to me they grow out of each other."

So, at 75, Irving Stone lives in an airy contemporary home with the wife who has given him a son and a daughter (both grown) as well as 44 years of literary collaboration. They live amid books, paintings and pre-Columbian art.

He is not reluctant to admit that he hates neckties, nor does he conceal his pleasure at the testimonial banquet held in his honor last week at the California Museum of Science and Industry, where an exhibition covering his life and work will continue through December.

He also finds what he terms "ego value. I like to see my stories in print. Basically, that is what my life is about."

— Los Angeles Times

PEOPLE: Backgammon Stakes

Men who envy screen idol Newman envy? The likes of race drivers A.J. Foyt and Mike Andretti. Sunday, Newman set out to post his name in their ranks by driving a pair of Budweiser Datsuns (one at a time) in the International Raceway's Unleash the Sun performance wasn't bad. He set a torrid pace in the first race, coming up an early lead and holding all the way to the finish line for victory. In the second contest, however, he was edged out. Indianapolis his next year?

Miami Dolphin quarterback Griese says he has to wear glasses now because, in a fit of childish vanity, he once cheated on a golf school eye test. The result was a blip on his vision — blurring of vision — and the necessity of wearing glasses he dreaded on the gridiron. But at least will profit from his misadventure. He's now Florida chairman of the Society for the Prevention of Blindness and director of vision education with the American Optic Corp. Griese said, "I've gotten a lot of letters from parents who say it's nice if their own kids wear glasses because I do."

The advantage to David Rosen's trailer is that it's big enough to fit in tight places. The California Department of Motor Vehicles registered his body type as "1973 model convertible." The 23-year-old West Coast Calif. mechanic says he originally bought the trailer to make a trailer and portable bed. So he hooked it up to his motorcycle, it on wheels and now he's ready to roll — or to rest.

Entertainer George Kirby, free on \$50,000 bail pending appeal of a 10-year federal narcotics conviction, received a standing ovation Sunday as he made his first appearance in a Las Vegas showroom in 4 1/2 years. Kirby, who said he last appeared with Tony Bennett at the Las Vegas Hilton in 1974, gave two performances Sunday night only at the main showroom of the Flamingo Las Vegas. The 54-year-old comedian made no direct reference to his legal troubles. Kirby was arrested in April of last year following an undercover investigation by federal officials into narcotics traffic in Utah, Nevada and California. The television and nightclub performer

was sentenced in U.S. District Court in Las Vegas in February to selling \$26,000 worth of high-grade heroin to an undercover agent.

Cellist Nathaniel Rosen, winner of the Tchaikovsky G Medal in Moscow — did his American performance since his turn to the United States was playing to a packed house with Pittsburgh Symphony at Ten University in Amherst, Pa. —

— SAMUEL JUSTI

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